

A blue-tinted photograph of a modern industrial facility. In the foreground, a robotic arm is positioned over a conveyor belt system. The background shows more of the factory's complex infrastructure, including pipes, beams, and additional robotic equipment. The overall atmosphere is high-tech and precision-oriented.

Your Time, Our Priority

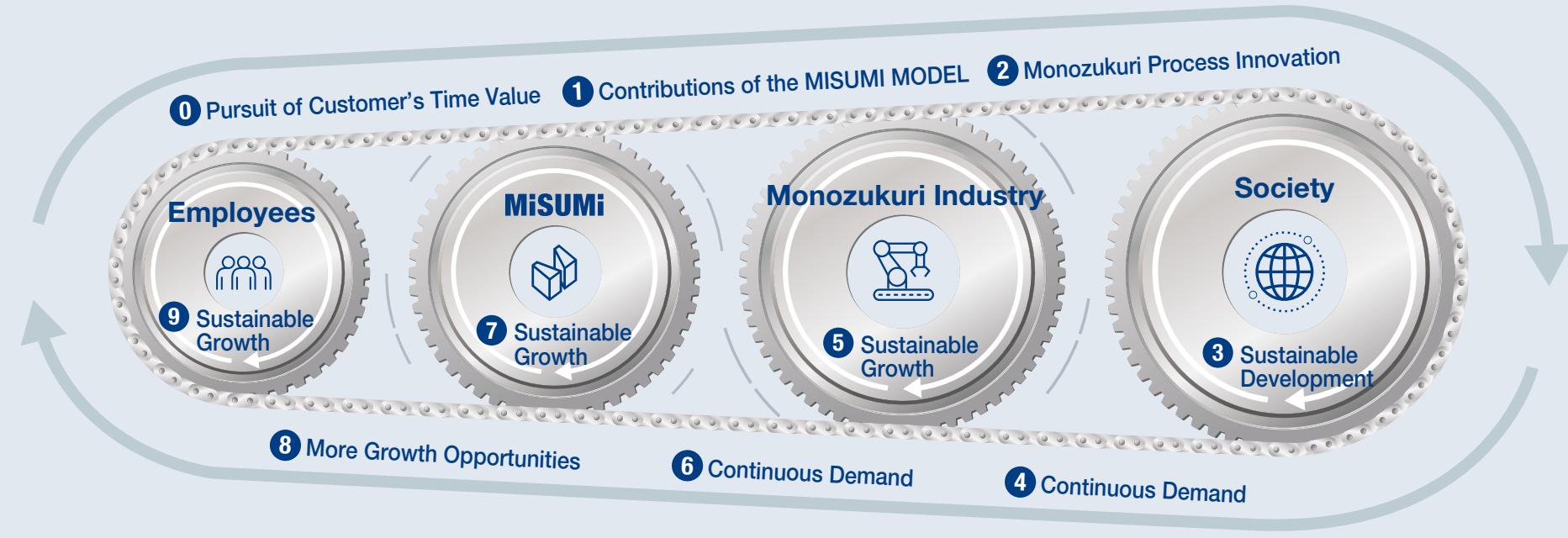
INTEGRATED REPORT 2025

Introduction

MISUMI's Growth Chain-reaction Aspired Management

As an industrial foundation supporting Monozukuri, MISUMI innovates existing processes and enhances Customer's Time Value.

With employees' challenges as the starting point, we aim to realize Growth Chain-reaction Aspired Management, where MISUMI, the Monozukuri industry, and society grow and develop together.



Vision Aspired Management Style

Employees' Challenges as the Starting Point

Employees always pursue the "next challenge," accelerating MISUMI MODEL innovation

In-house Initiatives

Improving Customer's Time Value through continuous MODEL innovation

- Reliable and Quick Delivery
- Reduce Customer Workload

Initiatives to Support Customer Industries

MODEL innovation in every customer process, from product development to equipment manufacturing and mass production

Contributions to the Sustainable Development of Society

Driving process innovation across the Monozukuri industry to accelerate the transition to a circular economy

Introduction

Editorial Policy

● Editorial Policy

The MISUMI Integrated Report 2025 was prepared with the key objectives to 1) help our diverse stakeholders, both Japan and overseas, gain a deeper understanding of MISUMI's value creation process and its growth strategy and 2) disclose our initiatives aimed at enhancing long-term and sustainable corporate value, enabling stakeholders to grasp the potential of these efforts.

In this Integrated Report, we provide a structured overview of the capitals essential for realizing MISUMI's management philosophy of Growth Chain-reaction Aspired Management, together with the MISUMI Value's that drive our growth, the revised materiality, and the initiatives that support customers' Monozukuri process innovation. It also outlines our efforts to enhance corporate governance, which serves as the foundation for achieving sustainable growth.

Comprehensive IR information and ESG-related data are disclosed on our corporate website, ensuring easy access for stakeholders worldwide.

MISUMI leverages its integrated report as a key tool for information dissemination. Moving forward, we remain committed to incorporating stakeholder feedback and continuously improving the quality of the report.

● Reporting Period

FY2024 (from April 1, 2024 through March 31, 2025).

The report also includes certain disclosure items and business activities initiated after April 2025.

● Scope of This Report

MISUMI Group Inc. and its consolidated subsidiaries and equity method affiliates.

● Forward-looking Statements

This report contains forward-looking statements regarding MISUMI Group's business performance forecast and business environment projections. These statements are based on information available to MISUMI Group at the time of publication. These forecasts and projections include risks and uncertainties, and actual results or business conditions may differ from those described in this Report.

Information on the Website and Reports

This report aggregates and discloses key financial and non-financial information to help readers gain a deeper understanding of the MISUMI Group.

For more detailed information, please refer to the websites and reports listed below.



Information for Shareholders and Investors

<https://www.misumi.co.jp/english/ir>



Sustainability

<https://www.misumi.co.jp/english/esg>



Corporate Governance

<https://www.misumi.co.jp/english/esg/governance>



Introduction

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Key Points of MISUMI Group Integrated Report 2025

1. Materiality

In September 2025, MISUMI revised its materiality after engaging in more than a year of discussion. As the business environment surrounding MISUMI shifts, further enhancement of our Dynamic Capabilities, our adaptability to change, has become more critical than ever for achieving sustainable growth.

In this section, we introduce our newly reorganized material issues from both a societal and internal perspective aligned directly with our growth strategy.

→ P13-15

2. MISUMI Group's Growth Strategy

Guided by our longstanding commitment to "Your Time, Our Priority," MISUMI has always prioritized the Time Value of our customers since our founding. This section presents a structured overview of our growth strategy, tracing the advancement of the MISUMI-unique Business MODEL that has redefined the conventional norms of Monozukuri processes. It also highlights how we are accelerating DX through Digital MODEL Shift initiatives, expanding into the product development domain, and pursuing new opportunities that lie ahead.

→ P16-21

3. MISUMI x Fictiv Roundtable Discussion

In June 2025, MISUMI acquired Fictiv, a U.S.-based provider of on-demand manufacturing services for custom mechanical parts to expand its role as a foundational partner in the Monozukuri industry. In this roundtable discussion, Senior Corporate Officer Mitsunobu Yoshida, who led the acquisition, and Fictiv co-founders David Evans and Nathan Evans exchange views on the synergies created through the integration and their shared vision for establishing a competitive advantage in the global marketplace.

→ P26-27

Introduction

At a Glance

Business Domains

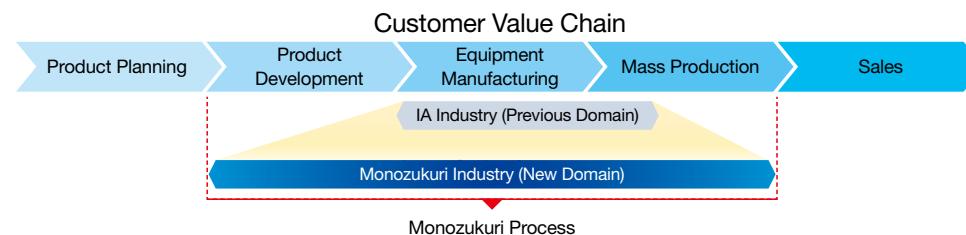
Monozukuri Industry

Monozukuri—the distinctive Japanese approach to manufacturing excellence—embodies a deep professional spirit and philosophy, continuous improvement (kaizen), precision, and pride in the pursuit of creating exceptional products.

Across the value chain, from product development and equipment manufacturing to mass production, these processes go far beyond the scope of traditional manufacturing or automation industries.

MISUMI refers to this broader domain as the Monozukuri industry, representing an expansion from automation toward a wider sector that encompasses product development.

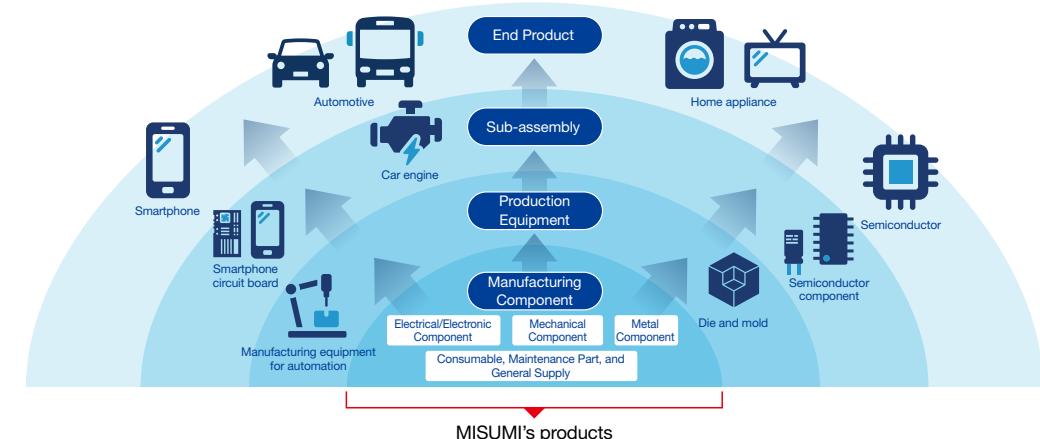
This year, MISUMI has extended its business domain from the Industrial Automation (IA) industry to the Monozukuri industry, aspiring to contribute to the sustainable development of society by innovating the Monozukuri process itself.



Manufacturing Components Supporting Monozukuri

From the perspective of end products, such as smartphones or automobiles, MISUMI's offerings consist of manufacturing components used in equipment manufacturing and mass production. These include mechanical components, fixtures, and consumables integrated into production equipment and devices.

Furthermore, MISUMI's product supply now extends into the product development domain, while leveraging IT and AI to streamline customers' manufacturing component procurement processes, another unique strength of MISUMI's Business MODEL.



Competitive Advantage



Products

Infinite Possibilities to Monozukuri

Over 30 million Standard Products

- A comprehensive lineup covering everything from mechanical components to consumables
- Including variations, product combinations reach 80 sextillion (1 trillion times 80 billion) possibilities

AI-driven Custom Product Analysis

- AI automatically analyzes CAD data to handle custom products beyond standard specifications, expanding the number of possible SKUs virtually without limit

Service Platform

One-Stop Procurement e-Commerce Platform

- Instant response on quotation and delivery date
- AI vector search enables quick retrieval of desired products

Globally Reliable and Quick Delivery

- Standard shipment on the second day after order, even for Make-To-Order products

Global Business



Enabling Platform

NEWTON

DX Infrastructure enabling agile response and accelerating growth in a rapidly evolving business environment



NEWTON



Supply Chain Management

Global 5-Pole Production Structure and resilient logistics network enabling Reliable and Quick Delivery

Manufacturing Capital



Introduction

Financial and Non-Financial Highlights

Financial Highlights (FY2024)

Net Sales

JPY **401,987** million

+9.3% YoY

Operating Income

JPY **46,480** million

+21.2% YoY

Operating Margin

11.6%

+1.2pt YoY

Ordinary Income

JPY **49,901** million

+20.9% YoY

Net Income

JPY **36,549** million

+29.8% YoY

Capital Expenditure

JPY **15,434** million

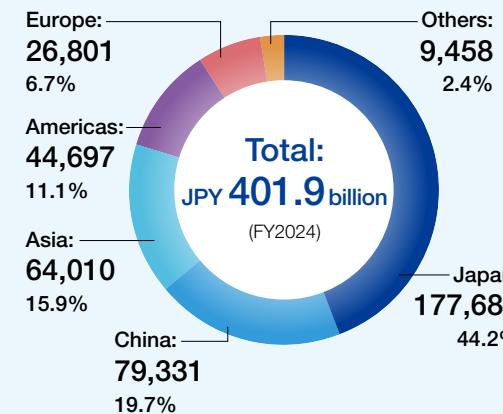
-14.1% YoY

Earnings per Share (EPS)

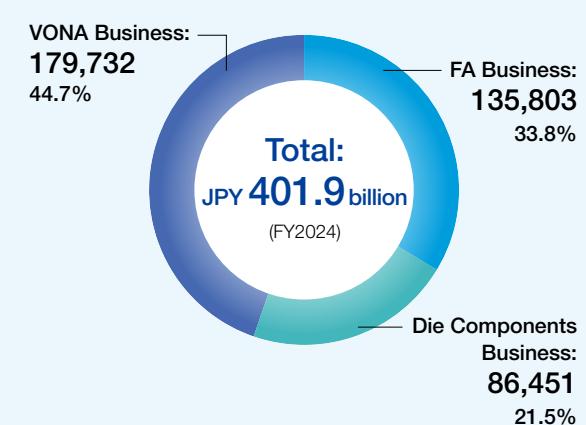
JPY **131.95**

+32.3% YoY

Net Sales by Region (JPY Million)



Sales by Segment (JPY Million)



Non-Financial Highlights (FY2024)

CO₂ Emissions (Scope 1+2)**18 kt CO₂**

-73.6% vs. FY2020

CO₂ Emissions (Scope 3)**1,424 kt CO₂**

+1.8% vs. FY2020

Number of Employees (as of March 2025)

11,064 persons

Europe:

548

Americas:

1,296

*Number of employees in the United States, Mexico, and Canada.

Asia:

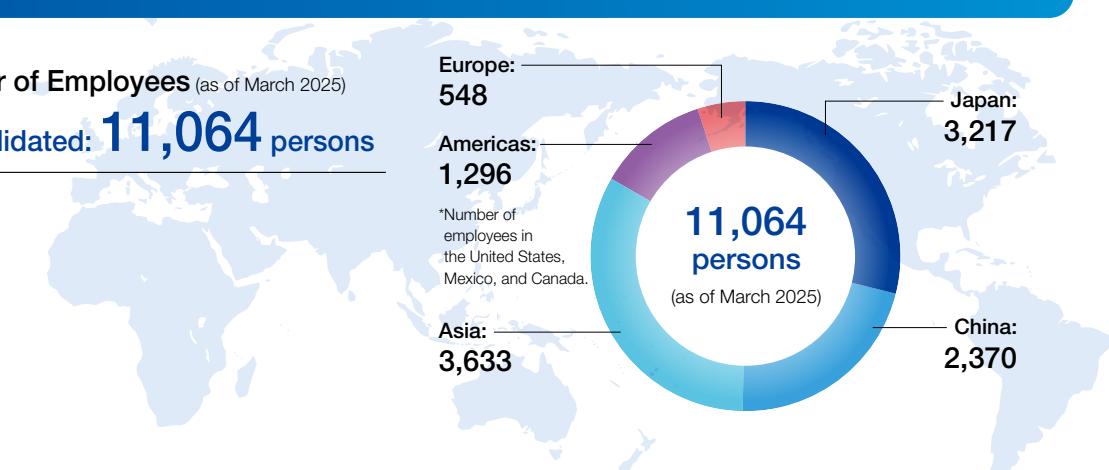
3,633

Japan:

3,217

China:

2,370



Value Creation Narrative

Message from the CEO



**Powerfully driving the Digital MODEL Shift,
aiming to serve as the Industrial Foundation
that underpins Monozukuri**

President and CEO
Ryusei Ono

Enhancing Our Adaptability To Change Amid Growing Uncertainty

MISUMI Group's mission has always been to maximize Customer's Time Value through process innovation in the Monozukuri industry. By leveraging digital technology to transform procurement processes, we are committed to ensuring "Reliable and Quick Delivery" and contributing to the overall advancement of Monozukuri industry.

Management is constantly confronting uncertainty. Since I assumed the role of President in 2013, I have faced changes beyond expectations over the past decade, such as the COVID-19 pandemic, Russia's invasion of Ukraine, and turmoil in the Middle East.

In particular, today's U.S.-China trade conflict and tariff policies directly affect our customers' investment decisions and have a significant impact on our business. It is not easy to judge when to accelerate and when to apply the brakes in response to changes in the external environment, but I believe that we must always do our best by flexibly assessing social conditions and the market.

In FY2024, despite an environment marked by ongoing geopolitical risks and forex fluctuations, we drove forth the "Digital MODEL Shift" ^{*1} and the "region-specific growth strategy," ^{*2} resulting in record-high sales of 401.9 billion yen. Operating income was 46.4 billion yen, and the operating margin improved to 11.6%. By region, China and Asia achieved high growth, compensating for sluggish performance in Europe and the Americas.

On the other hand, looking at the past several years, it is undeniable that growth has shown signs of slowing and precisely because the world is growing more uncertain, we are pushing for a fundamental restructuring of our Corporate Management Framework to further enhance our Dynamic Capabilities.

^{*1} A growth strategy that combines IT readiness and Monozukuri industry expertise to meet individual customer needs through mass customization.

^{*2} A growth strategy that responds to different customer needs in each global region.

Transforming the Entire Monozukuri Industry's Processes through the Digital MODEL Shift

MISUMI does not issue medium- to long-term management plans, which often come up in questions and feedback. This policy demonstrates our commitment to making optimal and agile decisions tailored to each circumstance, rather than focusing solely on formal plan execution to meet predetermined numerical targets following prolonged planning efforts. For stakeholders, we prioritize clear communication of our growth narrative and strategic direction for the medium to long term.

Value Creation Narrative: Message from the CEO

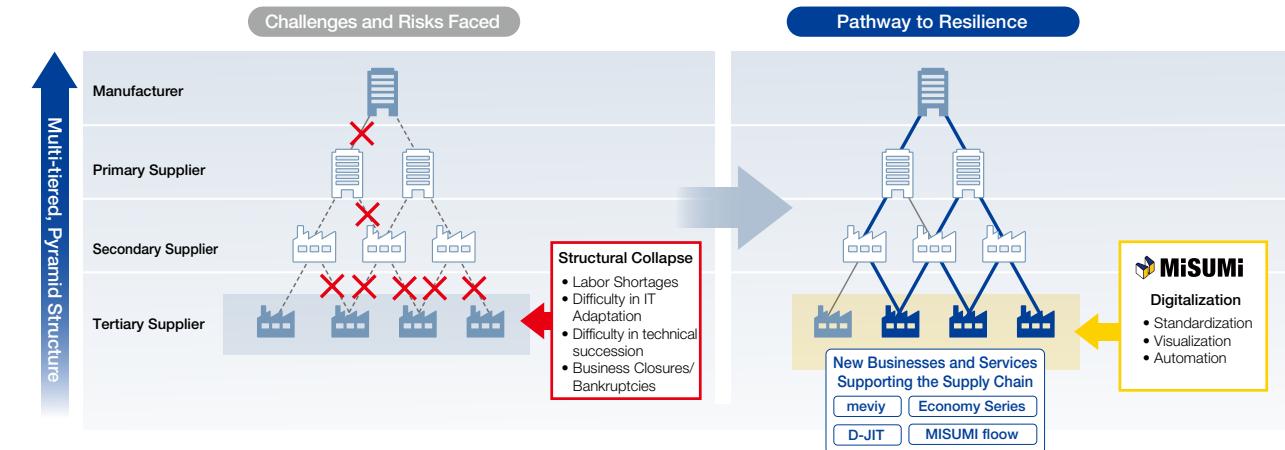
Our objective is to establish ourselves as the Industrial Foundation supporting the broader Monozukuri industry, which operates as a pyramid with set manufacturers at its apex and small to medium-sized enterprises forming the essential base. These enterprises, our primary customers, are instrumental in sustaining this foundation. The industry currently faces several challenges, including labor shortages, delays in digital adoption, and complexities in sourcing small quantities of diverse components—issues that exceed the capacity of any single organization to resolve independently. MISUMI addresses these concerns by consolidating solutions through its products and services. The advancement of our Business MODEL to effectively meet these needs represents a strategic priority for our Company.

While carrying forward our founding principle of “creating Customer’s Time Value,” my role in management is driving the “Digital MODEL Shift” even further by harnessing IT and AI to realize businesses and services that were not possible with conventional approaches. This is not simply a matter of partial digital efficiency; it is an initiative that seeks to fundamentally transform the conventions of the industry.

Specifically, we have already fully launched three services: “mevy,” “Economy Series,” and “D-JIT.” mevy is a digital parts processing service that enables customers to upload 3D data for custom machine parts; tasks that previously required manual handling and receive instant AI generated quotations, with shipments available in as little as one day. The Economy Series offers competitive pricing by rigorously re-examining the specifications, catering to mid-range market needs and helping eliminate inefficiencies for a broader customer base. D-JIT provides supply solutions for medium- and large-volume manufacturing components, integrating inventory data from over 700 Japanese and overseas suppliers alongside our internal production capabilities, visualizing dispersed market inventory data in real time.

These initiatives expand the scope of mass customization that MISUMI has been pursuing since its founding. While our Time-based Strategy is often associated purely with shortening lead times, customers’ needs are in fact far more diverse. In some cases, rather than simply demanding Reliable and Quick Delivery, customers specify their desired dates and times. When we are given such flexibility, we deliver products at more reasonable prices. This series of highly complex operations is supported by our Digital Transformation (DX) strategy, which we believe constitutes a Business MODEL that is extremely difficult to replicate. These efforts have been producing steady results, with sales driven by digital initiatives continuing to grow.

Strengthening the Monozukuri Supply Chain



Expanding Our Business Domain with Upstream and Downstream Strategies

One of the key strategic initiatives we are pursuing involves extending our business domain beyond the “midstream” segment of manufacturing to encompass both the “upstream” and “downstream” segments. Our customers span the entire Monozukuri industry, with a global customer base exceeding 320,000 companies. However, in practice, our business transactions are primarily limited to departments involved in the production of manufacturing equipment, which represents the “midstream” segment and accounts for only a small portion of the entire Monozukuri industry. Looking ahead, our goal is to become a partner capable of providing seamless services across the entire value chain, from the early stages of product development and prototyping (“upstream”) to mass production processes (“downstream”).

For our “upstream” expansion, we acquired Fictiv, based in California, USA, in June 2025. Fictiv specializes in the product development domain and has established strengths in custom mechanical components for prototyping and small-lot production. By leveraging Fictiv’s expertise, MISUMI aims to expand its reach within the custom parts segment. While valuing Fictiv’s entrepreneurial culture, we will support its continued growth through MISUMI’s robust Business Foundation and strive to maximize synergies between both organizations.

A further objective of this acquisition is to leverage Fictiv’s expertise in artificial intelligence (AI). AI represents a technology that

aligns closely with our business operations and is pivotal for our future growth. We have now established a generative AI R & D center at Fictiv, drawing top talent and creating a global framework for the adoption of cutting-edge technologies.

Downstream expansion is being driven by “MISUMI floow,” following development in China, was launched in Japan in April 2025. As the fourth initiative in our Digital MODEL Shift, following mevy, the Economy Series, and D-JIT. MISUMI floow mainly targets mass production factories, optimizing the procurement of manufacturing components and achieving overall cost reduction.

Manufacturing components tend to be overlooked in procurement priorities compared to direct materials due to their low unit price and sheer variety, but MISUMI floow addresses inefficiencies that have thus far been ignored.

Customer response in both Japan and China, where it has been rolled out, has been positive, and adoption is progressing at a faster pace than expected. Going forward, we will simultaneously expand the regions where it is introduced and enhance our service offerings, making it the core of our downstream strategy and striving to increase Customer’s Time Value in the mass production process.

Growth Chain-reaction Aspired Management Starts with Employee Challenges

The driving force behind the ongoing refinement of our Business MODEL is, without a doubt, the individual challenges undertaken by each employee. When employees strive to improve their work and

Value Creation Narrative: Message from the CEO



skills, delivering results that create value for customers, it builds trust. This value is then returned to society, leading to the expansion of our customers' businesses, and ultimately cycles back to fuel our own growth. This virtuous cycle, which starts with employees taking on challenges connecting the growth of our Company, the Monozukuri industry, and society, is referred to as Growth Chain-reaction Aspired Management, as stated in our management philosophy. It embodies MISUMI's commitment to contributing to the sustainable development of society.

This is why developing talent is one of our most important strategic priorities, and I am personally deeply committed to this effort. In particular, the MISUMI Strategy School for management personnel is an expanded continuation of the Strategy Seminar established by Chairman Emeritus Tadashi Saegusa. I also serve as an instructor, engaging directly in person to help enhance the management literacy of our next generation of leaders.

Currently, to further strengthen our adaptability to change, we are reviewing our Company-wide systems and structures. We have formulated a growth strategy, updated our integrated profit management system, and are now entering the stage of transforming the organization itself. We are also making significant revisions to our personnel and evaluation systems to support employees who think independently, act proactively, and embrace new challenges.

As a first step, we introduced the Next Challenge Program in FY2023. This HR initiative empowers employees to take ownership

of their own career paths, taking the next step in their professional journeys, serving as the cornerstone of our future talent strategy. By resetting current positions and enabling all employees to apply for roles and responsibilities they aspire to, we encourage personal growth and foster greater internal mobility. In fact, about 20% of our employees experienced a job transfer in FY2024. Our goal is to become the world's Best Place To Grow, where employees can achieve their full potential.

Capital Policy and Governance

In our capital policy, we place emphasis on shareholder returns and investments in a balanced manner, for sustainable growth.

Specifically, beginning in FY2025, we increased our dividend payout ratio to 35% from the prior level. Additionally, to improve capital efficiency, we have decided to acquire treasury stock. Due to advances in cash management, we have been able to reduce on-hand cash, including BCP reserves, from approximately 100 billion yen to around 70 billion yen. The difference is being allocated to shareholder returns, and we are flexibly conducting share buybacks with an upper limit of 25 billion yen or 17 million shares.

On the other hand, our capital policy is not focused solely on short-term profits. I believe there are times when we should invest, even at the expense of short-term profits. Through a balanced approach to growth investments and shareholder returns, we will deliver returns that surpass our cost of capital and seek to increase our equity spread.

Soundness and transparency in governance are being enhanced at both the Board of Directors and executive levels. Currently, Outside Directors constitute 40% of the Board; meetings are characterized by dynamic discussions that are not predetermined, rather than mere formalities. To enhance their understanding of frontline operations, we occasionally hold Board meetings at factories or logistics sites, integrating these sessions with on-site inspections. Furthermore, we provide numerous opportunities for Outside Directors to have individual dialogues with senior management, ensuring that diverse perspectives are reflected in our management approach.

On the execution side, we are advancing the introduction of new systems aligned with organizational reforms. Participation of executives from other business units is now mandatory in each business unit's management meetings. Through open discussions and collective decision-making, we strive to establish an even higher standard of governance.

Becoming a Foundation Supporting the Sustainability of the Monozukuri Industry

Our commitment to acting as an Industrial Foundation stem from a strong desire to make the Monozukuri industry more sustainable. Small and medium-sized enterprises, which form the backbone of manufacturing, will continue to face challenges unless innovation in manufacturing and procurement processes advances. If the foundation of the industry weakens, there is a risk that traditional supply chains may cease to function.

These challenges are not unique to Japan; they are also common in the United States, Europe, China, and other regions, where younger generations are increasingly moving away from manufacturing. That is why the MISUMI Group aims to contribute to the sustainability of the Monozukuri industry by supplementing the functions of small and medium-sized enterprises with new digitally driven MODELS and strengthening supply chains globally.

Ultimately, our goal is to serve as the Industrial Foundation that underpins the Monozukuri industry from the ground up. Like electricity or water, we strive to be an essential part of daily life—so much so that customers may not even be conscious of “using MISUMI,” yet can always count on receiving the necessary parts reliably when needed. We aim to provide peace of mind and trust.

To realize this ideal, we remain committed to continually innovating our Digital MODEL Shift initiatives and maximizing Customer's Time Value. We hope all stakeholders will look forward to our Group's further growth and share candid opinions on our initiatives.

Value Creation Narrative

Trajectory of Business MODEL Innovation

Since its founding, MISUMI has achieved growth by pioneering the MISUMI MODEL, an innovative approach that redefines traditional business processes in the Monozukuri industry. In recent years, we have accelerated digital transformation by introducing a series of IT-enabled and AI-powered services. Looking ahead, the acquisition of U.S.-based Fictiv in 2025 and subsequent expansion of our business domains are expected to fuel further growth.

Net Sales Progression

1977
Launched the standard components catalog for press dies

1988
Launched the standardized components catalog for automation machine parts

1994
Listed on Tokyo Stock Exchange (Second Section)

1998
Listed on Tokyo Stock Exchange (First Section)

2005
Merged with SURUGA SEIKI Co., Ltd.

2009
Developed an e-Commerce Platform

2012
Acquired U.S. die and mold components manufacturers

2014
Shortened standard delivery time to two days

2016
Launched a 3D CAD integrated service

2010
Launched the VONA Business

2012
Acquired U.S. die and mold components manufacturers

2019
Renewed the Core IT system

2021
Accelerated the Digital MODEL Shift

2025
Acquired Fictiv (U.S.)

1980

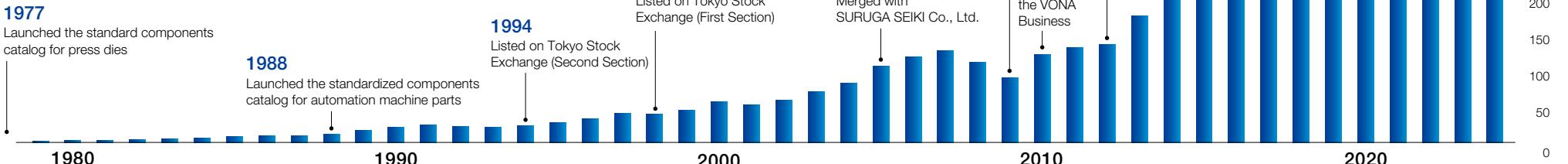
1990

2000

2010

2020

(JPY Billion)



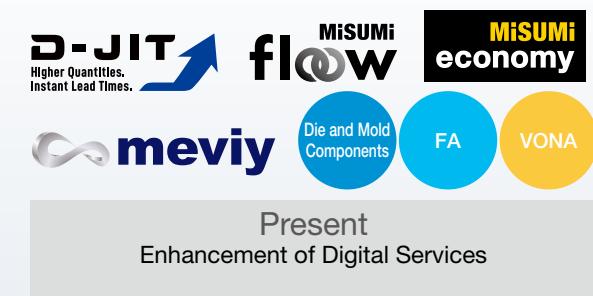
① Catalog sales + Product standardization

② Full-scale global expansion & e-Commerce Platform

③ Digital MODEL Shift



*Standard mechanical parts for Factory Automation (current)



Monozukuri : Driving Global Growth

Since the Industrial Revolution, Monozukuri has remained the driving force behind global economic growth. In postwar Japan, manufacturing industry has led economic development and, even today, it continues to account for around 20% of Japan's nominal GDP. Internationally, Japanese companies maintain a strong competitive edge in the market for products and components.

Amid growing demand for automation that supports Japan's advanced technological capabilities, MISUMI has supplied so-called manufacturing components, such as mechanical parts that are incorporated into devices and equipment used to manufacture final products. While procurement of these manufacturing components is essential to Monozukuri, the process is riddled with inefficiencies and waste, which have become obstacles to improving productivity.

Enhancing Customer's Time Value Globally

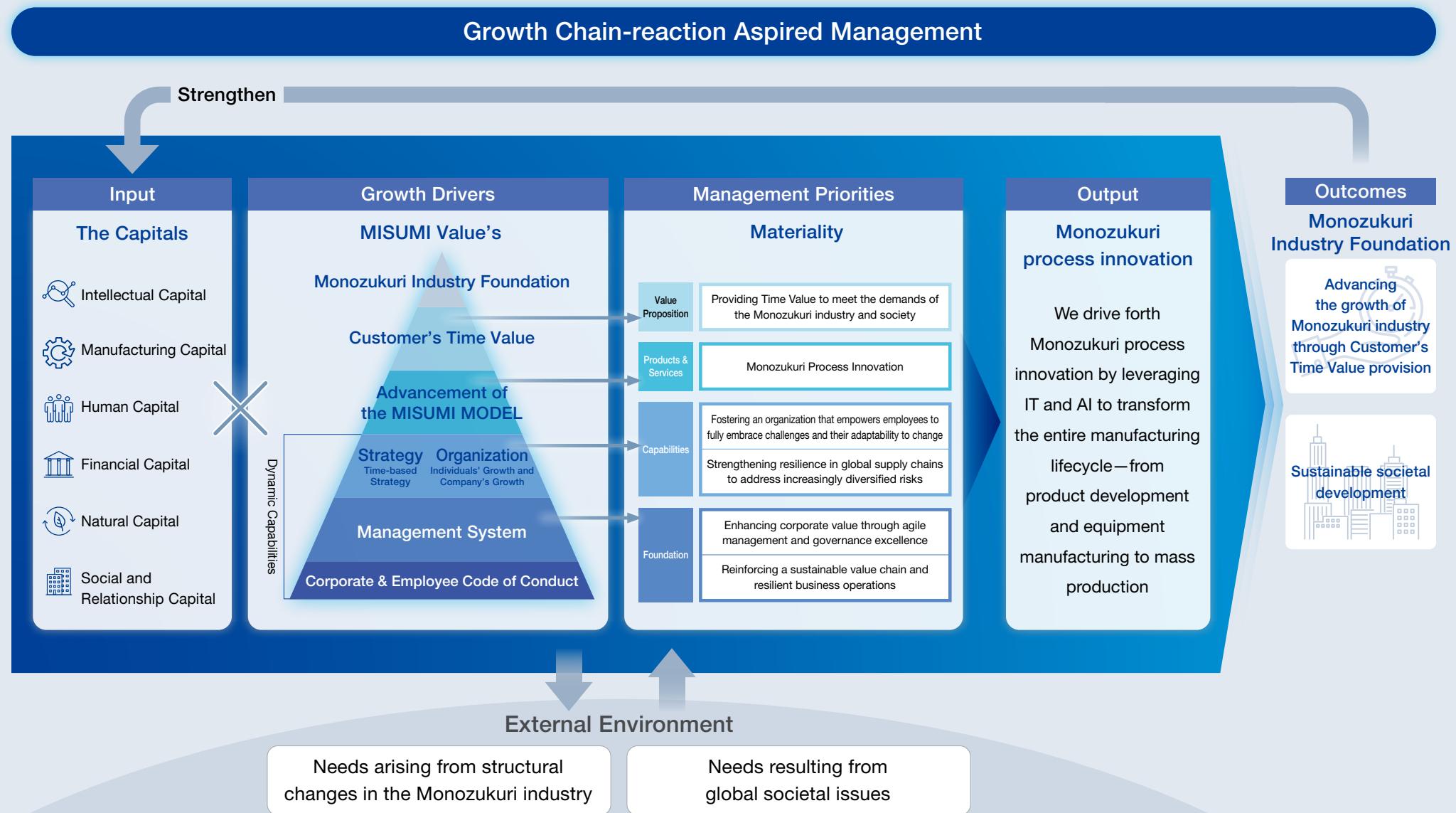
Since publishing Japan's first catalog of press die standard components in 1977, MISUMI has continued to revolutionize procurement processes, eliminating inefficiencies and waste for manufacturers. Today, in addition to challenges such as declining labor populations and tighter working hour regulations, achieving higher productivity within increasingly constrained working hours has become a critical challenge for manufacturing worldwide. MISUMI is enhancing its capabilities not only by offering IT-enabled one-stop procurement platform and expanding ensuring stable product supply but also by leveraging IT to deliver one-stop procurement and by rolling out new digital services globally. We aim to serve as an Industrial Foundation that serves Monozukuri across the world.

[Growth Strategy](#)

Value Creation Narrative

Value Creation Process

With employees' challenges as the starting point, MISUMI aims to realize Growth Chain-reaction Aspired Management, where MISUMI, the Monozukuri industry, and society grow and develop together. We aim to maximize our managerial capital through the MISUMI Value's and drive process innovation in Monozukuri, thereby providing value as the foundation that serves the Monozukuri industry.



Value Creation Narrative

Accumulated Capitals

MISUMI has built a broad range of managerial capital in tandem with its business growth.

The Six Capitals: intellectual, manufacturing, human, financial, natural, and social & relationship, support our Management Foundation.

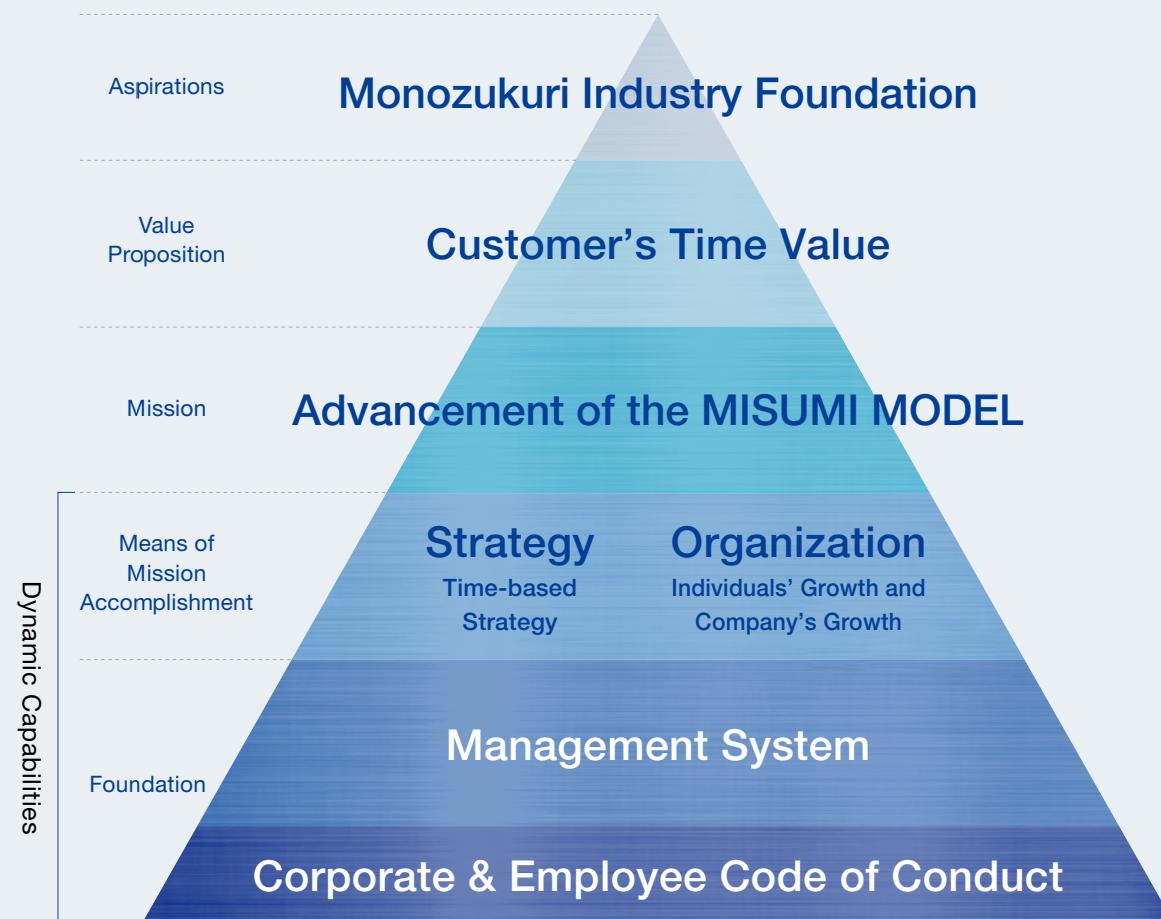
This fuels value creation generating a virtuous cycle that ultimately enhances our corporate value.

 Intellectual Capital	 Manufacturing Capital	 Human Capital	 Financial Capital	 Natural Capital	 Social and Relationship Capital
By fully leveraging IT and AI and utilizing diverse data through DX strategy, we continue innovating our Business MODEL to enable next-phase growth.	We enhance productivity through our established Global 5-Pole Production Structure, resilient logistics network, and automation deployment, enabling Reliable and Quick Delivery.	Guided by the human capital management philosophy, MISUMI strives to be the Best Place To Grow, aspiring to become the world's foremost growth-oriented company, where employees embrace challenges.	Building a highly profitable and robust financial foundation while continuously promoting initiatives to enhance capital efficiency, such as optimizing on-hand liquidity and maintaining appropriate inventory levels.	Contributing to the development of a sustainable society through value creation through environmentally conscious resource usage and the adoption of clean energy.	Realizing value-co-creative growth through initiatives to enhance supply chain management and active engagement with stakeholders.
IT Investment JPY 8.6 billion	Production Sites 22	Internal Mobility Rate 18%*2 (FY2023: 15%)	Shareholders' Equity JPY 304.2 billion	Energy Consumption 139,205MWh	Number of Customers Over 320K companies
R&D Expenditures JPY 4.1 billion	Logistics Sites 20	Employees' Willingness to Embrace Challenges 87%*3 (Previous survey: 80%)	Net Sales JPY 401.9 billion	Water Withdrawal 292 thousand m³	Number of Suppliers Approximately 3,000 companies
Number of DX-related Patents Granted 93*1	Production and Logistics Investments JPY 6.8 billion	Employees' Sense of Growth 75%*3 (Previous survey: 70%)	Operating Income JPY 46.4 billion	Solar Power Installation 6,172MWh	Investor Engagement 526 Interviews
*1 Includes those obtained in previous years					
*2 Internal mobility rate for MISUMI Japan, utilizing the Next Challenge Program					
*3 Results from an employee survey conducted at MISUMI Japan					
Carbon-free Electricity Introduced 15,936MWh					

Value Creation Narrative

MISUMI Value's

We will realize Growth Chain-reaction Aspired Management through the systematization of MISUMI's management philosophy – MISUMI Value's; having integrated the concept of Dynamic Capabilities, our adaptability to change, thereby maximizing our managerial capital.

**Our Aspirations**

The Monozukuri industry is essential for the sustainable development of society. By serving as the Industrial Foundation for Monozukuri, MISUMI drives innovation in its customers' Monozukuri processes, thereby maximizing their Time Value.

Customer's Time Value

Faster, more accurate, and more efficient. MISUMI upholds a customer first approach centered on maximizing Time Value, encapsulated in our tagline "Your Time, Our Priority." We provide two forms of Time Value: Reliable and Quick Delivery and reduction in customers' workload, through Monozukuri process innovation, enabling customers to focus on higher value-added activities.

Advancement of the MISUMI MODEL

All MISUMI employees are committed to continuously refining our unique business model to achieve MISUMI MODEL innovation which provides greater Time Value to our customers.

Dynamic Capabilities (Adaptability to Change)

As the structure of the Monozukuri industry continues to evolve and global societal challenges shift, the organizational mindset and capabilities required of both the Company and its employees are essential for sustaining MISUMI's Growth Chain-reaction Aspired Management. To adapt to changes in the external environment and to maintain and strengthen competitiveness, we enhance three capabilities of broadly sensing, accurately seizing, and rapidly transforming.

Strategy and Organization

Strategy We continuously develop and advance our Time-based Strategy. By focusing on inefficiencies hidden in the Monozukuri industry's business processes and eliminating them through the lens of time. We are refining our approach to mass customization by fully leveraging digital technologies, enabling us to respond to customer needs with a level of ease and reliability that closely mirrors the experience as if selecting a standard product.

Organization Employees are most expected to continuously pursue next challenges, next tactical measures, and next roles: "Individuals' Growth", which transpires to MISUMI MODEL innovation and increased Time Value: "Company's Growth". Employees consistently prioritize Time Value, linking its improvement to their own personal growth.

Management System

To sustain our Growth Chain-reaction Aspired Management, we continue to enhance our global Dynamic Capabilities, our adaptability to change. We will enhance both the quantity and quality of individuals' challenges globally and bolster our prospects for success.

Corporate & Employee Code of Conduct

We have structured our codes of conduct into two frameworks: The Corporate Code of Conduct, which defines the behaviors expected of MISUMI as a corporate entity, and the Employee Code of Conduct, which specifies the principles and behaviors expected of each officer and employee.

Value Creation Narrative

Message from the Officer Responsible for Sustainability Promotion

~MISUMI's Unique Approach to Materiality Setting~



■ Outlook for the Future

To enhance our adaptability to changes in the business environment, a new approach to materiality that aligns with our growth strategy was formulated. Clearly sharing MISUMI Group's aspired state internally and externally, and by fostering deeper dialogue, we will further strengthen and advance our Growth Chain-reaction Aspired Management.

Senior Corporate Officer, CFO Representative of Finance Platform Hub,
Toru Takanami

Background to the Revision of Materiality

In September 2025, MISUMI revised its materiality after engaging in more than a year of discussions. Originally, materiality was established alongside the Basic Sustainability Policy in 2021. At the time, prevailing ESG trends have guided our management approach, providing a clear and unwavering strategic direction for MISUMI. However, over time, it was recognized that the connection between this approach and our overarching growth strategy was not sufficiently integrated. Furthermore, the introduction of "Growth Chain-reaction Aspired Management" and "MISUMI Value's" highlighted the need to better clarify and organize how these elements relate to one another. This became particularly important as stakeholders, including investors, expressed a strong desire to gain a deeper understanding of MISUMI's growth strategy and its alignment with our core values and management practices.

Both external and internal environments have undergone significant changes. Given the increasing complexity of international affairs and climate change, it has become necessary to reassess the relationship between societal issues and our own management challenges. With the emergence of opaque risks and the rapid advancement of technology, strengthening our "Dynamic Capabilities," that is, our adaptability to change, is crucial for sustainable growth. In this revision, we have identified key issues from both societal and corporate perspectives and have realigned our materiality issues to directly support our growth strategy.

[Basic Sustainability Policy](#)

Synchronizing Growth Strategy and Materiality

Our initial priority when disclosing new materiality was to ensure that it is clearly understandable and aligned with our long-term vision and growth strategy, including the principles of MISUMI Value's. It also encompasses recent key strategies such as expanding business domains through acquisitions of Fictiv, as well as renewing our management systems. In formulating our materiality, we have redefined our business domain from what was traditionally referred to as "Industrial Automation Industry" to the broader "Monozukuri industry" clarifying our commitment to broadly supporting the entire customer value chain

from product development to equipment manufacturing and mass production. The acquisition of Fictiv to strengthen the product development domain was a crucial step in this direction, demonstrating our determination to expand our business domains.

The revised materiality is organized into four elements: "Value Proposition," "Products & Services," "Capabilities," and "Foundation." MISUMI's value proposition is rooted in the concept of "Customer's Time Value," which has been a continuous emphasis for the Company and serves as a key foundation geared towards the Monozukuri industry. Regarding products and services, MISUMI underscores its expertise in driving "Monozukuri process innovation." In addition, we carefully considered how IT and AI can support the Monozukuri industry from the ground up, bolster the resilience of the global supply chains, and acknowledge employees' willingness to embrace challenges and their adaptability to change within Capabilities. As these elements form the backbone of our business operations, we prioritize a sustainable value chain and sound governance – paying close attention to human rights risk management, ensuring fair transactions, and reducing environmental impact.

The most notable accomplishment of this revision is the seamless alignment of MISUMI's growth strategy with materiality, resulting in a clear and organized depiction of "What MISUMI aspires to become as a Company" for both internal and external stakeholders. This approach has also enhanced employees' understanding of the integrated value creation process outlined in our Integrated Report, effectively connecting the overarching growth narrative of "Growth Chain-reaction Aspired Management," the driving force behind "MISUMI Value's," and the current priority issues pertaining to materiality. To reinforce the impact of this framework, we have already initiated updates to our management systems and undertaken organizational restructuring. Looking ahead, we will establish KPIs and targets, driving Company-wide adoption and ensuring consistent implementation through line management.

Serving as a Nexus for Internal and External Voices

MISUMI is sometimes seen as being "cautious in its disclosure" but in practice, the senior Management thoroughly discusses and scrutinizes every single word and document to be released externally until they are fully satisfied. Our attention to language goes beyond mere expression; it is essential for accurately conveying the true nature of our business. With approximately 60% of our shareholders now being overseas institutional investors, strengthening our communication both in Japan and overseas has become even more important. For the distinctively Japanese concept of "Monozukuri," we have adopted the policy of intentionally using the romanized "Monozukuri" with an accompanying explanatory note, so that it can be properly understood on a global level.

Having engaged directly with many investors, I have received a diverse range of opinions and suggestions, including those related to ESG. As the Officer responsible for promoting sustainability, I see it as my duty to earnestly listen to these voices, share them within the organization, and accurately represent the Company's views externally, serving as a nexus. Acting as a bridge between internal and external stakeholders, I am committed to fostering meaningful dialogue and clearly communicating MISUMI's unique perspective to society.

Value Creation Narrative

Materiality

Materiality Formulation Process

MISUMI formulated its materiality in FY2021. As the business environment has grown increasingly uncertain, we have continued to review emerging themes, focusing on how core strengths intersect with societal issues, the risks and opportunities present in our business activities, and focusing on how these connect to our Growth Chain-reaction Aspired Management. Since FY2024, both the Board of Directors and the Sustainability Committee have been continuously discussing updates to materiality.

Step 1

MISUMI Value's Formulation

To articulate our distinctiveness, we examined Growth Chain-reaction Aspired Management along with the implementation framework of MISUMI Value's, enabling us to clarify our long-term vision.

Step 2

Identifying Societal Issues

In the course of this review, we employed the Double Materiality framework. A matrix was established with two axes: one indicating the significance of achieving our long-term vision, and the other representing the societal issues identified by stakeholders as priorities. Drawing upon international standards such as SASB, GRI Standards, and the SDGs, we compiled an extensive list of pertinent issues. To evaluate their relevance to MISUMI, we conducted a survey among Directors, Auditors, and Executives-in-charge, ultimately refining the list to 26 material issues. Every issue was then analyzed with respect to its potential business risks and opportunities.

Step 3

Review from a strategic management standpoint

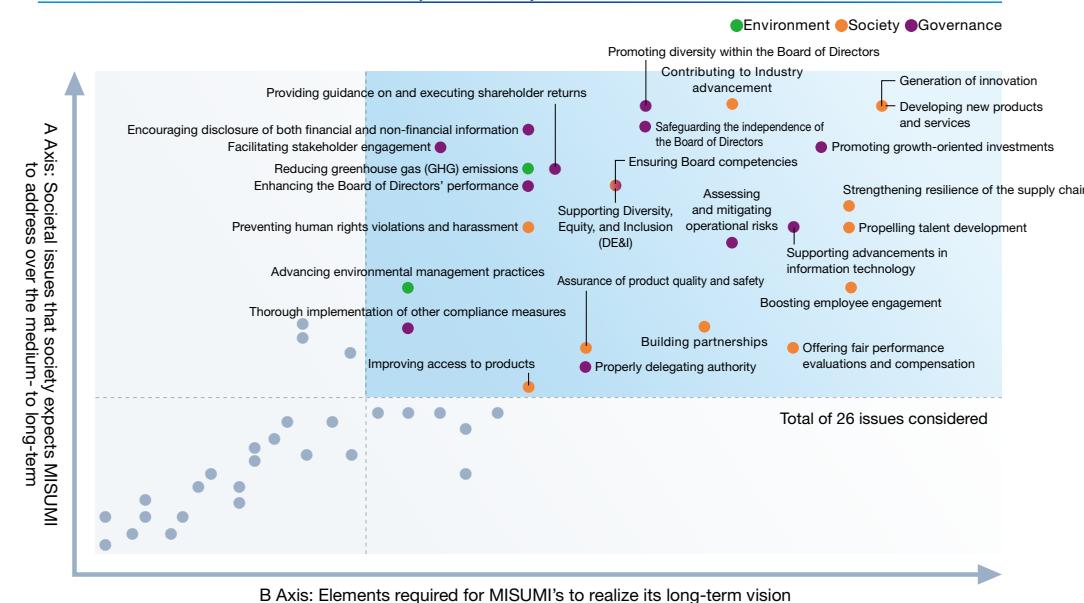
To support our Growth Chain-reaction Aspired Management approach, we have integrated management system elements intended to enhance Dynamic Capabilities, our adaptability to change, to expand our business domains into product development and reduce information asymmetry with stakeholders within our materiality priorities.

Step 4

Materiality Formulation

The 26 principal societal issues, together with factors recognized from a management strategy standpoint, were organized and classified according to the value proposition framework. The revised new materiality was approved by the Board of Directors in September 2025.

Societal Issue Extraction Matrix (Overview)



Revised Materiality

MISUMI Group's Materiality

Value Proposition	Providing Time Value to meet the demands of the Monozukuri industry and society
Products & Services	Monozukuri process innovation
Capabilities	Fostering an organization that empowers employees to fully embrace challenges and their adaptability to change Strengthening resilience in global supply chains to address increasingly diversified risks
Foundation	Enhancing corporate value through agile management and governance excellence Reinforcing a sustainable value chain and resilient business operations

Value Creation Narrative

Explanation of Materiality and KPIs

Management Related to Materiality

Materiality		Rationale for Selecting Material Issues	Concept for Establishing KPIs
Value Proposition	Providing Time Value to meet the demands of the Monozukuri industry and society	<p>MISUMI aims to serve as the foundation of the Monozukuri industry, which is essential for the sustainable development of society, and enhancement of Customer's Time Value ("Your Time, Our Priority").</p> <p>MISUMI proactively addresses structural changes in the Monozukuri industry and global societal challenges, striving for growth that creates value in accordance with the expectations of both the industry and society.</p>	With a view to visualizing our value proposition, we pursue initiatives to quantify Customer's Time Value.
Products & Services	Monozukuri process innovation	<p>MISUMI contributes through process innovation that eliminates waste and inefficiency hidden in the business processes within the Monozukuri industry, using time as the key lens. The Company leverages digital technologies (IT and AI) to transform its Business MODEL and extend it to new domains. This distinctive approach reinforces MISUMI's sustainable competitive advantage. Additionally, MISUMI actively pursues profit growth to support increased investment in future development.</p>	The Company evaluates indicators to assess the impact of the "Digital MODEL Shift" growth strategy on our overall performance, alongside reviewing metrics associated with each form of capital that underpins our competitive advantage.
Capabilities	Fostering an organization that empowers employees to fully embrace challenges and their adaptability to change	<p>For MISUMI, employees are its most important stakeholders. MISUMI is dedicated to fostering an environment in which every employee, worldwide, considers the Company the Best Place To Grow. The challenges embraced and growth achieved by employees strengthen MISUMI's Dynamic Capabilities, thereby increasing the Company's overall likelihood of success.</p>	<p>To encourage employees to take on new challenges and foster growth opportunities, MISUMI is evaluating organizational activation indicators that blend both qualitative and quantitative measures, such as internal mobility, readiness to embrace challenges, and a sense of individual development.</p> <p>Human Capital </p>
	Strengthening resilience in global supply chains to address increasingly diversified risks	<p>As risks surrounding the global supply chain increase, MISUMI prepares for unforeseen events by developing business continuity plans (BCP) and practical systems, to fulfill its supply responsibility to customers in the Monozukuri industry.</p>	Additional indicators are being considered to enhance and secure MISUMI's stable supply system, which is essential for ensuring business continuity throughout the entire industry.
Foundation	Enhancing corporate value through agile management and governance excellence	<p>MISUMI strengthens its Dynamic Capabilities, our adaptability to change, for timely and appropriate recognition of external risks and opportunities, as well as the optimal use of capital. The Company strives to resolve information asymmetries in capital markets and enhance the Board's independence, diversity, and expertise of its Board of Directors to meet the demands of effective corporate governance.</p>	<p>We are considering indicators with a focus on the status of compliance with the Corporate Governance Code and other regulations, as well as improving the quality of dialogue with stakeholders.</p> <p>Corporate Governance </p>
	Reinforcing a sustainable value chain and resilient business operations	<p>To fulfill responsibilities to key stakeholders across the entire value chain, including customers, suppliers, communities, and employees, MISUMI conducts business activities that emphasize fundamental values. The Company is also looking toward achieving carbon neutrality by reducing GHG emissions, conserving resources, and enhancing energy efficiency, working to minimize environmental impact across the full life cycle of products and services, from development to disposal.</p>	<p>Alongside disclosures aligned with international frameworks, MISUMI is actively considering indicators that capture the environmental impact of its business activities and their connection with supply chain management.</p> <p>Natural Capital Social and Relationship Capital </p>

Growth Strategy

MISUMI Group's Growth Strategy

Pursuing Customer's Time Value: Pioneering New Domains through MODEL innovation

We are committed to fulfilling stakeholder expectations while pursuing sustainable growth and enhancing corporate value over the medium to long term.

Chapter 1 Establishing MISUMI's Unique Business MODEL that Transformed the Conventional Monozukuri Process

Revolutionizing Procurement through Standardization

MISUMI Shoji (now MISUMI) was founded in 1963 by then-president and founder, Hiroshi Taguchi, who focused on the inefficiencies in the distribution of production materials and set out to address challenges in the manufacturing industry. At the time, parts used in production equipment had different specifications for each company, resulting in an enormous amount of labor from drafting to manufacturing. MISUMI noticed that, even among one-of-a-kind custom machine parts, the differences were often only minor variations in dimensions and sizes, and that standardization could be achieved by establishing common rules. By enabling catalog-based ordering, allowing customers to specify part numbers without the need for drawings, MISUMI fundamentally reformed the procurement process. Furthermore, the Company developed a system called "Reliable and Quick Delivery for each custom-made item," making it possible to deliver needed parts, even in single units, quickly and reliably. This enabled MISUMI to offer a wide variety of products at low cost.

Through standardization, MISUMI shortened delivery times from the usual two to four weeks to just one to two days, contributing not only to shorter lead times for customers but also to inventory reduction and the downsizing of warehouse functions. Today, MISUMI offers an extensive range of 80 sextillion product variations, continually meeting customer needs. The Company's ability to provide mass customization by standardizing to the greatest extent possible for each customer's requirements is the very source of MISUMI's competitive advantage.

Horizontal Expansion into the Global Arena

After establishing its proprietary QCT MODEL (Q = Quality, C = Cost, T = Time Value) in Japan, the Company began full-scale global expansion under then-CEO Tadashi Saegusa from 2002 onward, marking a major transformation for MISUMI.

This was also a significant challenge in deploying the MISUMI QCT MODEL, cultivated in Japan, on a global scale.

Supporting this challenge was the 2005 business integration with Suruga Seiki. Our Company evolved from a trading company without

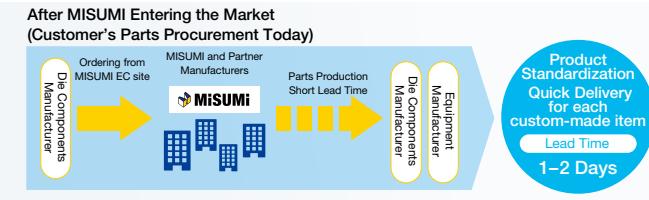
Changes in Procurement of Production Equipment Parts



its own production capabilities into a unique organization that encompasses Monozukuri functionalities. Furthermore, by adopting Suruga Seiki's advanced technology and production capacity, a seamless "Create, Make, Sell," structure was established, accelerating the global rollout of manufacturing-sales integration.

Establishing a Proprietary Business MODEL

Through these process reforms and global expansion, the Company has enhanced procurement efficiency by standardizing product catalogs and shortened global lead times through a Reliable and Quick Delivery system. However, challenges remained at the actual procurement sites, such as difficulty in selecting parts, the complexity of comparing manufacturers, and the dispersal of ordering sources.



To address these issues, we launched the VONA business and, by handling products from other manufacturers using MISUMI's unique distribution MODEL, contributed to solving the problems faced by designers and purchasers. As a result, we dramatically improved the previously inefficient and high-cost multi-stage distribution* system, and by leveraging a robust core system and an automation-related indirect materials database, enabling one-stop procurement of everything from machine parts to consumables.

In 2012, we acquired Dayton Progress and Anchor Lamina in the United States, gaining a global product lineup in the die and mold components sector and achieving synergies in both production and sales. This further strengthened our international presence.

* A market where transactions are conducted repeatedly among producers, wholesalers, retailers, and consumers.

Growth Strategy: MISUMI Group's Growth Strategy

Chapter 2 Accelerating DX: Advancement of “Time Value” through the Digital MODEL Shift

MISUMI to date, has delivered Time Value to Monozukuri sites through initiatives such as the Standardized Product Catalog and the global rollout of Reliable and Quick Delivery.

However, with the rise of the Industry 4.0* trend and the impact of the COVID-19 pandemic, the Monozukuri landscape has undergone significant changes. On the customer side, Digital Monozukuri is accelerating, driven by the real-time collection and visualization of operational data using IoT sensors, the growing adoption of 3D printing technology, and the increasing use of digital twin methods that connect design and production, which are becoming mainstream.

On the other hand, many suppliers of production materials and intermediate distributors or processors still lag in adopting IT for order processing and lead time management, making it difficult to

fully meet the growing demand for digital Monozukuri processes. Delays persist in quoting and providing delivery dates for custom machine parts, and opportunities for procurement optimization using accumulated data remain largely unexplored.

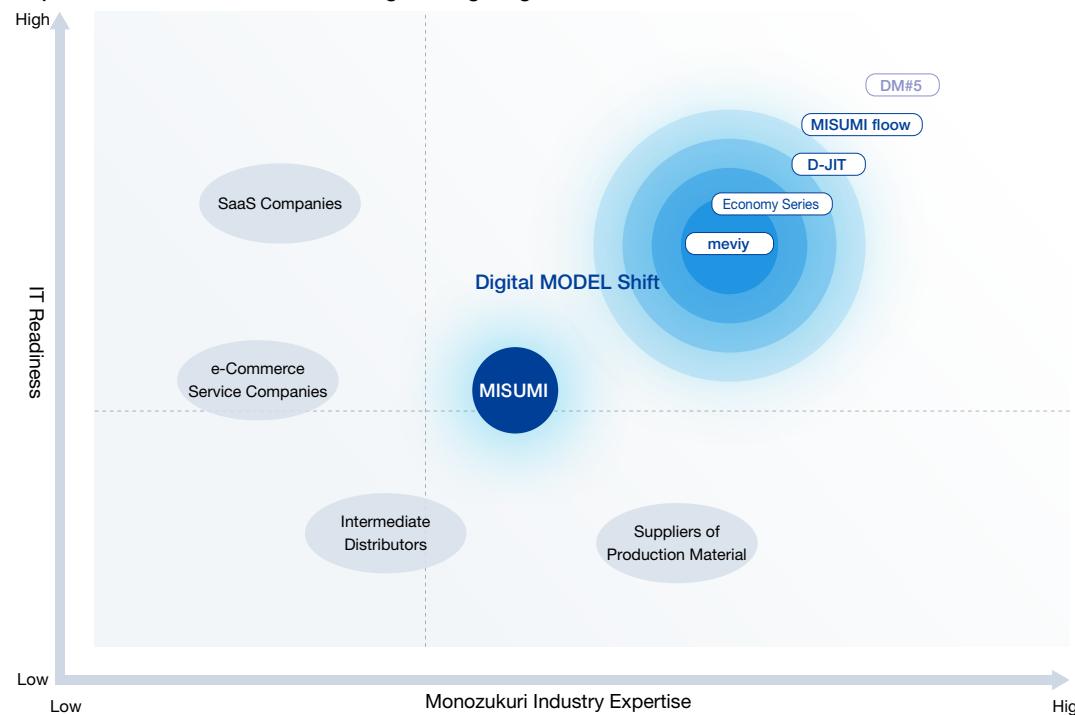
MISUMI is actively addressing these gaps by breaking into untapped areas and driving the Digital MODEL Shift.

Leveraging our expertise in the Monozukuri industry, we are now boldly utilizing IT, AI algorithms, and extensive data analysis to once again rewrite the norms of the Monozukuri process.

* Initiatives aimed at transforming industrial structures through technological innovation such as IoT (Internet of Things), which digitizes various types of information for seamless exchange over networks; Big Data, which collects and analyzes large volumes of data to create new value; Artificial Intelligence (AI), where machines learn and control equipment in place of humans; and Robotics, which enables automation even in complex and diverse tasks.

Source: Nomura Securities “an annotated glossary of securities industry terminology”

Expansion of IT x Monozukuri Coverage through Digital MODEL Shift Initiatives



mevy: Quick Response for Custom Machine Parts, Delivering “1-Minute Quote and Next-Day Shipping”

Procuring custom machine parts, beyond the scope of standardized catalogs, has been a significant burden for designers and purchasing managers. To tackle these challenges, the first phase of the Digital MODEL Shift, “mevy,” was fully launched in FY2019. With mevy, users can instantly receive a quote simply by uploading 3D data of their machine parts. To enable next-day shipping, the platform integrates various digital technologies, including AI-powered automatic analysis of 3D shapes, automated data entry of materials through the DDS (Digital Dispatch System), and manufacturing automation via waterjet machining and unmanned transport.

Furthermore, to meet the demand for diverse processing methods, the “mevy Marketplace” was introduced in September 2024, enabling users to obtain quotes from multiple manufacturing partners through a single platform. According to our research, the time required to start a business with new partners has been reduced by 90% compared to previous methods, greatly improving procurement efficiency.

In FY2024, mevy's sales reached JPY 15.9 billion, with more than 190,000 cumulative users, and the business achieved profitability within Japan.

Economy Series: Strategy for Balancing Precision and Cost in the Digital Era

As digital society advances, manufacturing sites are increasingly required to select the appropriate level of precision for each application, driving up demand for “just enough precision at low cost.” With production sites concentrated in China and Asia, their post-COVID-19 relocation and intensifying competition in Asian markets have further accelerated this shift.

In response, we developed the second phase in our Digital MODEL Shift: the Economy Series. In addition to relaxing specifications and revising manufacturing methods, we leveraged overseas development sites to aggregate customer needs and enabled autonomous product development in China, Asia, and Japan, greatly accelerating development speed. As a result, we maintained previous gross profit margin levels while keeping costs low and expanded our customer base to new industries such as food, tobacco, and packaging. Within just one year of launch in China in FY2022, the Economy Series quickly expanded into Asia, and Japan. In FY2024, sales reached JPY 11.1 billion, a 61% increase year-over-year. The number of customers exceeded 90,000 companies, offering a new option that balances precision and cost.

Growth Strategy: MISUMI Group's Growth Strategy

D-JIT: Fundamentally Strengthening Quantity Responsiveness and Supporting Diversified Procurement and Inventory Optimization

For customers, what may appear to be the simple task of “securing the required parts, in the required quantities, and by the required delivery date” has been a longstanding challenge within the multi-tiered distribution structure. Delays in delivery or shortages in quantity have frequently forced customers to change designs or search for new suppliers, increasing burdens on the manufacturing sites. To fundamentally address these issues, MISUMI launched the third phase of the Digital MODEL Shift: D-JIT. Currently, we have built an algorithm* that provides real-time visualization of inventory and factory operations of over 700 suppliers both domestically and internationally. This system instantly allocates inventory according to requested quantities and automatically presents price and delivery options. The system was refined through pilot projects and data sharing with suppliers to solve inventory imbalances and risk of lost orders, challenges that became evident during the COVID-19 pandemic. Furthermore, by upgrading our core system, “NEWTON,” we have integrated inventory information and achieved advanced automation without compromising the e-Commerce experience.

After a trial launch of D-JIT in Thailand and Taiwan in FY2023, the system was fully implemented in the following year in Japan and South Korea, achieving sales of JPY 8.2 billion in FY2024. Looking ahead, we expect even greater results as the adoption of NEWTON expands to additional regions.

*Patent acquired

MISUMI floow: Eliminating Administrative Burdens in Manufacturing Components Management and Achieving Total Cost Reduction

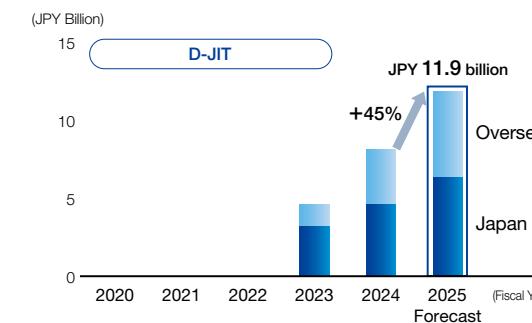
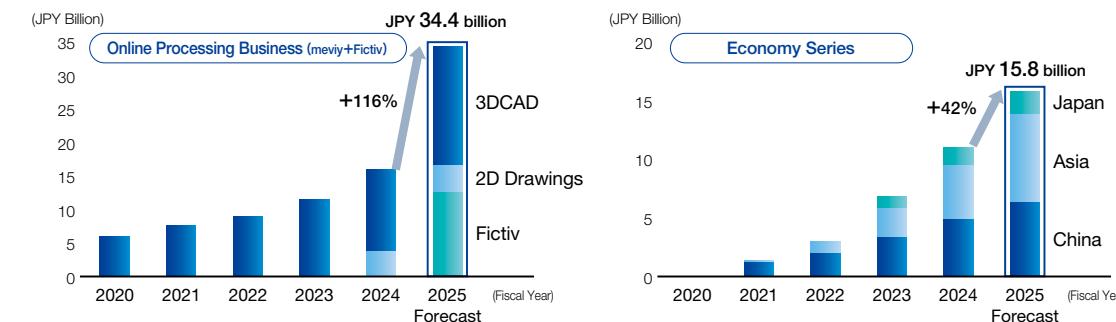
While digitalization of direct materials is advancing in mass production factories, indirect materials due to their wide variety and low purchase volumes were unable to benefit from DX-driven efficiencies. Procurement activities were handled separately by each department, which meant manufacturing sites had to take on extra responsibilities beyond their core function of production. As a result, it was challenging to enhance productivity and optimize costs at the same time.

To address this, MISUMI developed “MISUMI floow,” a comprehensive cost reduction service for indirect materials that tailors to the supply method based on purchase frequency. MISUMI floow centralizes processes from ordering to inspection and inventory management, delivering “inventory-free,” “order-free,” “management-free,” and “fraud-free” operations. This is made possible by a robust system: more than 3,000 manufacturers, 8 million MRO products,

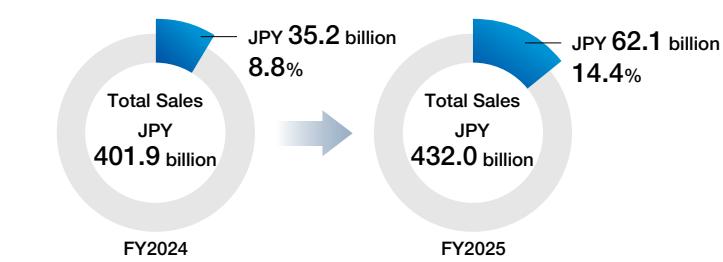
Penetration of the Digital MODEL Shift in Core Businesses

Company-wide Strategy	FA Business	VONA Business	Die Components Business
	meviy	Online Processing Business	
	Economy Series	Product Series with Low Prices × Optimal Quality	
	D-JIT	Automated Bulk Procurement Ordering System	
	MISUMI floow	Factory MRO Procurement Optimization Service	

Digital MODEL Shift Outlook



Sales and Composition Ratio of Digital MODEL Shift Initiatives*



* MISUMI floow is not included as its sales are not disclosed.

and a Reliable and Quick Delivery system with second-day shipping as standard. In addition, data visualization through D-JIT has significantly improved operational efficiency.

The full rollout in Japan began in April 2025, with customers achieving about a 70% reduction in labor hours after implementation, as well as reduced burdens for suppliers. In China, where the service

was introduced earlier, 1,900 vending machines have already been installed in 480 factories as of the end of September 2025. Looking ahead, MISUMI aims to expand horizontally across Asia and further penetrate new mass production sectors such as food, pharmaceuticals, and furniture, thereby expanding the Time Value in mass production factories.

Growth Strategy: MISUMI Group's Growth Strategy

Driving Digital MODEL Shift x Region-Specific Strategies

MISUMI's Digital MODEL Shift is not only an initiative aimed at streamlining customers' procurement processes through digital transformation (DX) but also addresses fundamental challenges faced by the manufacturing industry. For example, it provides solutions to issues such as lack of data integration, difficulties in transferring design and production know-how, labor shortages, and financial constraints, thereby supporting and strengthening the Monozukuri supply chain. For this reason, since the early stages of development, MISUMI has worked to launch services tailored to the industrial characteristics of each region.

In regions with high demand for production equipment manufacturing and mass production—particularly China and Asia, and to some extent Japan—MISUMI has broadened its price range

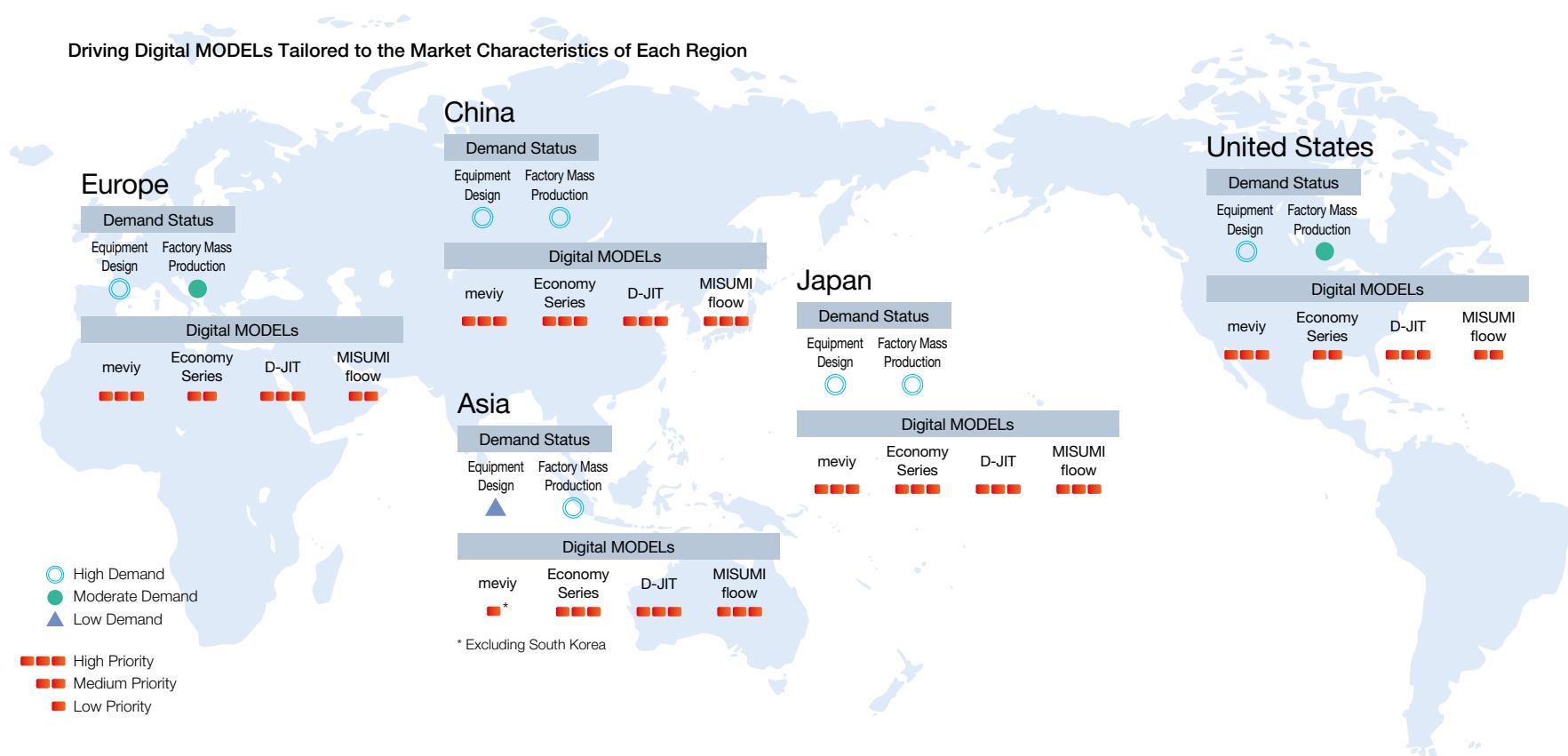
with the Economy Series and established a flexible supply system tailored to regional characteristics by integrating usage data of various indirect production materials through MISUMI floow. Regional strategies for each Digital MODEL Shift initiative have also progressed. In China, the Economy Series has been focused not only on machine parts but also on unit product expansion. In Asia, where service-providing countries and regions are dispersed, MISUMI prioritizes Customer's Time Value by consistently balancing cost and lead time, including the use of local procurement. In Japan, the Company is accelerating its initiatives with a focus on RoHS compliance.

Meanwhile, meviv has been deployed mainly in Europe, the Americas, Japan, China, and South Korea, where there is strong demand for production equipment design. meviv meets the needs

for custom machine parts and complex shapes that standard catalogs cannot provide. Within the rapidly advancing FA (Factory Automation) market, MISUMI ensures a stable supply of high value-added products by adapting to local manufacturing processes and regulations.

Through these efforts, the Digital MODEL Shift has allowed MISUMI to expand its customer base while deepening engagement in each market by tailoring services to the unique market characteristics of every region. This approach maximizes the Customer's Time Value. However, to truly address the core challenges of the Monozukuri industry, it is not sufficient to focus solely on production equipment design, manufacturing, and mass production. MISUMI is now taking on new challenges by expanding into the "product development" domain.

Driving Digital MODELS Tailored to the Market Characteristics of Each Region



Growth Strategy: MISUMI Group's Growth Strategy

Chapter 3 Next Domain Expansion: Product Development with Fictiv

In April 2025, MISUMI announced the acquisition of U.S.-based Fictiv. This marks our largest transaction since acquiring Dayton Progress and Anchor Lamina in 2012, with the purchase amounting to approximately JPY 50 billion. The objective is not merely diversification; it is to further reinforce the foundations and technologies we have developed and expand into the upstream “product development” domain in the Monozukuri industry. This strategy is intended to nurture the next core pillar for MISUMI.

The Monozukuri process is generally divided into three stages: “product development and prototyping,” “design and manufacturing of production equipment,” and “mass production management.” In the upstream product development and prototyping stage, procurement tends to be complex and inefficient due to small-lot, high-mix requirements because many designers are involved. Additionally, the dispersion of suppliers and reliance on analog methods make the situation more complex, resulting in multifaceted challenges at development sites such as loss of labor-hours and delivery delays, as well as shortages of funds and personnel.

This acquisition of Fictiv is intended to resolve these inefficiencies in upstream processes by leveraging digital technology, fundamentally addressing the challenges faced by our customers, including manufacturers, startups, and R&D departments. Among existing online machine parts processing companies, Fictiv distinguishes itself through its high precision and wide variety. Although it is a fabless company, Fictiv operates a global supply network of carefully selected partner suppliers, managed by experienced engineers and specialists in each region, rivaling that of in-house production. This enables comprehensive support across the entire product development lifecycle, from design and prototyping to production launch, and helps reduce rework through DFM (Design for Manufacturing) as well as shorten development cycles. It is not just about automation or digitalization—Fictiv’s collaborative, hands-on approach to service eliminates waste at its source, aligning perfectly with our value proposition of “enhancing Customer’s Time Value” and demonstrates high cultural compatibility.

In the product development domain, few proactive players can offer seamless, end-to-end support from prototyping to small-scale mass production. Additionally, there is not yet a platform that provides Reliable and Quick Delivery, one-stop procurement for mechanical parts, circuit boards, electrical and electronic components. By bridging these market gaps through the acquisition of Fictiv, our expansion into the product development domain is a

strategy with exceptionally high growth potential. Leveraging MISUMI’s core strengths in high-mix, low-volume production with Reliable and Quick Delivery, along with the D-JIT system’s capabilities for inventory visualization, diversified procurement, and rapid quotation response, combined with Fictiv’s advanced resources—including its complex-shape CAD database tailored for product development and its unique talent pool in AI and manufacturing—positions us to address the need for comprehensive support from prototyping to small-scale mass production. This level of support has not been sufficiently provided by existing major manufacturers or traditional procurement frameworks.

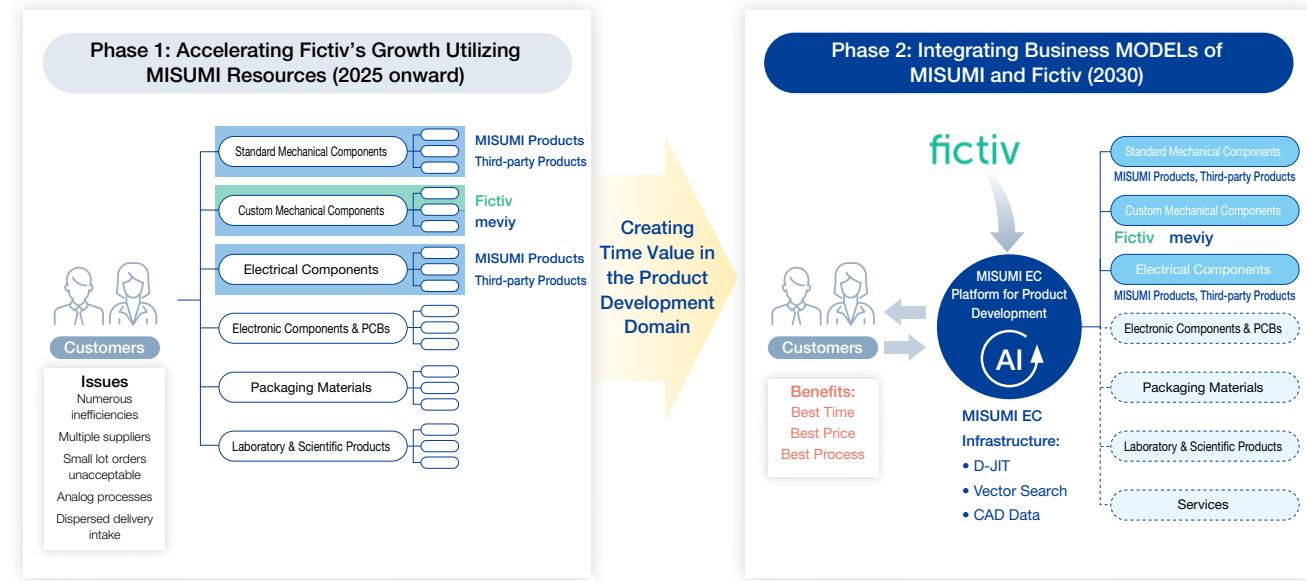
Furthermore, by leveraging our extensive procurement network, our proven track record in handling products from other manufacturers, and our strong partnerships with cooperating suppliers, we envision delivering a comprehensive, one-stop solution for product development in the future. This solution would

encompass not only electronic components and circuit boards but also packaging materials and laboratory supplies.

Additionally, by combining our digital transformation talent pool—skilled in both IT and manufacturing—with Fictiv’s expertise in AI and Monozukuri, we can expand our offerings beyond component supply to provide value-added services for the Monozukuri industry. These services include knowledge sharing and talent development, integrating Monozukuri with IT and AI.

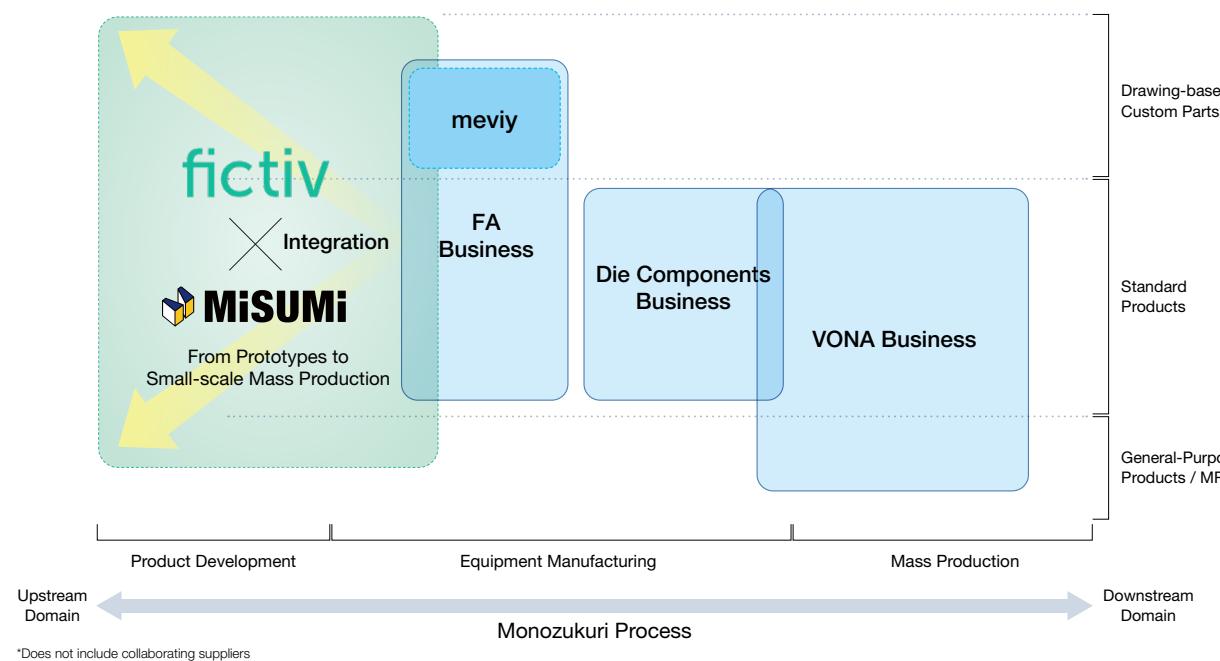
Our expansion into the product development domain through the acquisition of Fictiv goes beyond the application of our existing strengths to a new domain. It signifies a transformation toward building an industrial platform that supports the entire Monozukuri process, from product development to equipment manufacturing and mass production. Our objective is to maximize Customer’s Time Value, shorten product development cycles, and ultimately improve Monozukuri efficiency throughout society.

Process Innovation for Product Development



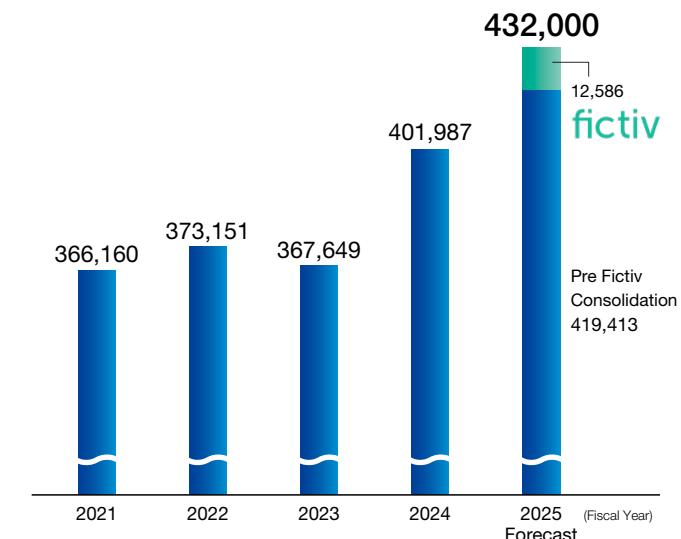
Growth Strategy: MISUMI Group's Growth Strategy

Broadening the Scope of Supported Sectors within the Monozukuri Industry Infrastructure



FY2025 Sales Forecast Post Fictiv Consolidation

(JPY Million)



The Core Principle Driving Innovation: The Philosophy of Providing Time Value

MISUMI adheres to the principle of "Your Time, Our Priority," prioritizing Customer's Time Value since its founding. To achieve this, the Company has consistently advanced its Business MODEL, expanded service domains, and invested in organizational and human capital.

MISUMI has placed a particular emphasis on innovating the parts procurement process. For example, initiatives such as the online catalog, which allows orders by simply specifying a part number without drawings, the "meviv" platform that provides automatic quotes for complex-shaped parts through CAD data uploads, lead time discount services, and the highly competitive Economy Series all help streamline the quotation and ordering process.

In recent years, MISUMI has also focused on advancing innovation in customers' search and design activities. In addition to the traditional "RAPiD Design," the Company has introduced AI-based vector search technology that instantly identifies optimal parts and design patterns which previously were difficult to find using keyword searches. By quantifying a vast array of past drawings and design criteria, and calculating similarities, designers can make decisions more quickly. As the system continues to learn, search accuracy improves, enabling even vague queries to yield optimal solutions while maintaining design diversity. This approach seamlessly connects customers' procurement, design, and manufacturing cycles through digital transformation, delivering an even greater level of Time Value to customers.

Through these initiatives, MISUMI effectively addresses evolving customer needs and drives innovation throughout the entire

industry, aiming to improve Monozukuri processes. Business MODEL innovation, Digital MODEL Shift and regional optimization, domain expansion into product development through the acquisition of Fictiv, and AI-powered services are all essential components of MISUMI's growth strategy.

The philosophy of providing Time Value fundamentally reimagines challenges within customers' Monozukuri processes and enhances their experience value. This pursuit will continue to evolve. Guided by the "Growth Chain-reaction Aspired Management" philosophy, MISUMI continuously pushes its own boundaries and welcomes new challenges, ultimately contributing to the growth of the Monozukuri industry. This industry's growth, in turn, generates further opportunities for MISUMI's own growth. Through this virtuous cycle, MISUMI strives to deliver the most valuable time creation for its customers.

Growth Strategy

Intellectual Capital: Digital Transformation (DX) Strategy



Future Outlook

IT and AI are not only central to MISUMI's growth strategy but also essential for driving business process innovation across the Monozukuri industry. MISUMI will continue to develop new products, expand sales channels, and enhance the provisioning process as we work toward becoming a platform that connects customers and suppliers.

Director, Senior Executive Corporate Officer, CIO

Arata Shimizu

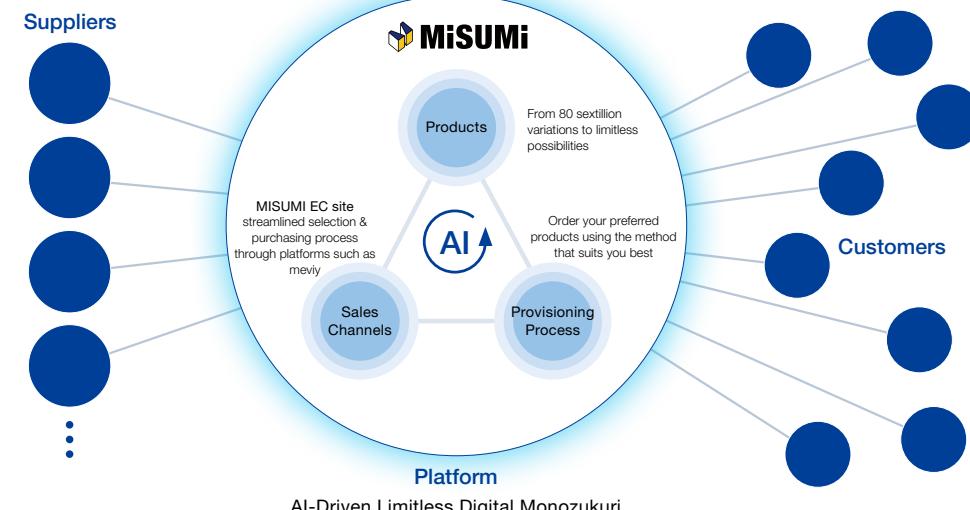
MISUMI's DX Strategy

DX Strategy is Management Strategy Itself

In MISUMI's ongoing efforts to innovate the "Business MODEL targeting the Monozukuri industry," the use of digital technology is essential. Even before the term DX came into the spotlight, our Company has always viewed the integration of digital technologies and management strategies as inseparable. Our goal is not limited to DX for localized efficiency gains; we aim to fundamentally redesign Monozukuri processes through Business MODEL transformation—delivering new value to customers while enhancing our own operational productivity.

Our service innovations for customers are based on three key perspectives: products, sales channels (such as MISUMI EC site), and the provisioning process. The immense scale of 80 sextillion product

MISUMI DX: Aspired Form



variations enables mass customization and allows us to meet the unique customer needs with standardized solutions made possible only by the latest digital technologies and Monozukuri capabilities. For custom-made items, our AI-powered automatic quotation system offers an almost limitless selection of products. The sales channel delivers value such as instant product search, immediate quotes and delivery dates, flexible pricing based on quantity and lead time, and AI-powered technical and customer support. The provisioning process utilizes a distinctive Make-To-Order Business MODEL that is difficult to replicate. With standard two-day shipping and a 99.7% on-time delivery rate, this approach has made sales in customers' preferred formats more efficient.

Our Company has strengthened its competitiveness by responding swiftly to changes in the environment surrounding our customers and suppliers, our valued co-creation partners, building closer relationships with both; identifying their challenges which we regard as business insights; and expanding new value propositions. We aim to leverage our Monozukuri expertise and digital readiness, harnessing advances in generative AI to drive growth and offer new value propositions to our customers.

Potential for Platform Advancement

MISUMI has strengthened both its front-end and back-end operations through digital technology, enabling the delivery of products that customers want, when they want them, with greater speed, higher quality, and lower costs. A distinguishing feature of MISUMI's DX is the use of comprehensive, up-to-date, and accurate data via IT to revolutionize customers' Monozukuri. Our aim is to become a data-rich platform that connects customers and suppliers by leveraging the data accumulated within our Company. In addition, AI is significantly enhancing the creativity involved in customers' Monozukuri. We will integrate the capabilities of data and AI into our services, enabling us to fulfill any customer request through e-Commerce searches, order processing, and digital Monozukuri.

With services such as mevy and Fictiv already available for product development, we automatically read CAD data, connect our factories and supplier networks globally, and broaden our ability to meet customer expectations. Furthermore, we are improving our data analysis capabilities and our ability to mobilize our global supplier network. Our efforts include visualizing market-wide inventory information and advancing the global supply chain.

The Driving Force Behind DX

Since FY2021, we have been deploying our new core system, NEWTON, globally, to quickly adapt to changes in the business environment.

Beyond the use of AI as a supplementary tool in daily operations, we have reached an "AI ready" state, enabling the entire organization to leverage AI effectively. This organization-wide readiness has enhanced our capacity for innovation, as we actively adopt advanced technologies and update legacy systems, thereby enhancing our Dynamic Capabilities.

The driving force behind the new "MISUMI MODEL innovation" is the spirit of challenge embraced by our employees. We are making significant investments in acquiring and developing talents skilled in both digital technology and Monozukuri. Fictiv also has many engineers proficient in both AI and Monozukuri, and synergies with MISUMI are already beginning to emerge. Within our organization, IT and AI are applied across various functions, including profit management and business process improvements; accelerating our employees' MODEL innovation efforts.

Growth Strategy: Intellectual Capital: Digital Transformation (DX) Strategy

External Evaluation

Selected as a DX Stock for the First Time



DX 銘柄 2025
Digital Transformation

In April 2025, MISUMI was selected for the first time as a "DX Stock 2025," an honor awarded to listed companies on the Tokyo Stock Exchange that demonstrate exceptional achievement in DX initiatives. This recognition reflects MISUMI's strategic application of digital technologies, including IT and AI, to enhance its Dynamic Capabilities in response to global developments in Monozukuri. This external recognition highlights the effectiveness of MISUMI's ongoing digital transformation efforts, which began before the term "DX" became widely used.

Ministry of Economy, Trade and Industry, News Release [↗](#)

Evaluation Highlights (Excerpt)

- Utilizing digital technology to ensure Reliable and Quick Delivery while reducing labor hours
- Supporting Reliable and Quick Delivery, as well as flexibility in product mix and quantity through Digital MODEL Shift initiatives
- Promoting talent development under a DX strategy by identifying both common and unique skill requirements
- Delivering measurable outcomes by applying digital technology in alignment with the Business MODEL

DX Promotion Structure

DX Promotion Structure Connecting Customer and Supplier Touchpoints with Technology

In October 2025, MISUMI implemented a company-wide organizational restructuring. The DX Promotion Department now oversees all processes that connect customers and suppliers, driving digital innovation at every customer touchpoint. Under the leadership of Arata Shimizu, an accomplished CIO recognized for leading DX strategies across various companies, the DX promotion structure consists of five specialized organizations:

- A development team focused on customer-facing digital services, including the MISUMI e-Commerce site and meivy
- An organization dedicated to promoting DX in supply chain management, facilitating connections between suppliers and customers
- An organization responsible for the development and global deployment of the core system NEWTON
- An AI research and development unit based in the U.S. at Fictiv, a leader in AI innovation
- An organization tasked with managing operations at call centers and distribution centers

These entities serve as the central hub for promoting DX throughout the Group, fostering cross-functional collaboration among IT departments within each division, expediting development processes, and strengthening security measures.

DX Promotion Structure

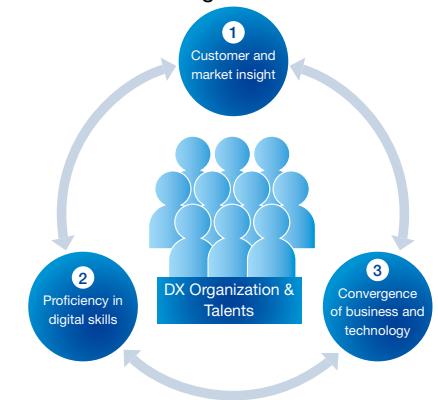
Arata Shimizu: Director, Senior Executive Corporate Officer, & CIO



Organizational & Talent Capabilities

To advance DX, it is essential to build organizational and talent capabilities from three perspectives to fully leverage internal resources. The first is the ability to understand customers and the market and to expand the value proposition. This requires in-depth knowledge of the business, products, and services, as well as insights for identifying customer issues and aligning them with new value propositions, strategic thinking skills, and an understanding of business operations. The second is the capability to deepen expertise in digital technologies and to apply the right solutions to business challenges. Our Company has a diverse pool of talent in areas such as AI, data analysis, system development, UI/UX design, and cybersecurity. The third is the ability to effectively integrate business and technology to implement and embed DX. For example, marketing skills for understanding customers, expertise in finance and intellectual property, awareness of regional characteristics, and communication skills with stakeholders are required. Success in DX demands not only technological knowledge but also proficiency in business and related fields. By combining these three elements, we are driving MISUMI MODEL innovation through DX.

Capabilities and Talent Required to Drive DX in Organizations



Monitoring

For each project, key progress checkpoints are defined as milestones, and a progress indicator called the BNI (Bottleneck Indicator) is defined at the outset. Reports and countermeasures are shared based on this BNI. Projects that require special support are addressed through individual discussions. Project effectiveness is assessed through a structured evaluation framework conducted at least three times: an initial assessment, a mid-term review, and an assessment upon completion of investment payback, with ROI measured and verified at each stage.

Cybersecurity

Cybersecurity is recognized as one of our key management risks. We proactively identify potential risks and allocate sufficient budget and human resources to address them appropriately. In addition to establishing information management protocols including the Basic Information Security Policy, we have built a governance structure with the CIO also acting as the Chief Information Security Officer for the entire Group. Each department appoints an Information Security Manager, supported by implementation managers and on-site managers. Furthermore, we conduct regular drills and provide continuous training to ensure preparedness and strengthen our security posture.

Growth Strategy: Intellectual Capital: Digital Transformation (DX) Strategy

Direction for AI Utilization

■ Company-wide AI Readiness Optimized for Creating New Monozukuri Value

At MISUMI, AI and other cutting-edge technologies are regarded as key factors for fundamentally transforming service competitiveness and labor productivity. We leverage these technologies at both the organizational and individual levels to enhance Customer's Time Value.

Our approach involves training AI systems using our extensive data*1 and proprietary expertise. Through the implementation of our core system NEWTON, we have established Query and Update APIs*2. This has enabled us to make steady progress toward becoming "AI ready." At the same time, we are expanding customer-facing front-end and back-end services and continuously improving internal business operations.

We are also engaged in research and development to support the Monozukuri industry by gathering and sharing tacit knowledge and expertise, often reliant on individual employees, as company-wide assets. We envision fully autonomous AI agents that can independently think and act to achieve objectives. For instance, we have introduced the MISUMI AI Agent platform, which securely integrates multiple general-purpose AIs internally, and now operates more than 90 business assistants. This platform is also available as an AI chat service for customers.

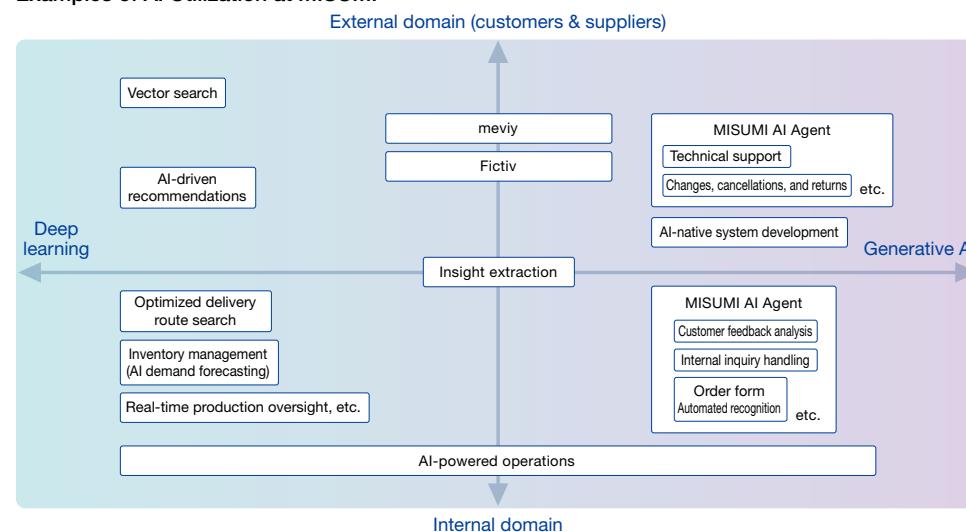
Looking ahead, we will proactively utilize AI's capabilities in identification, personalization, and prediction to better understand customers' latent needs and to uncover new business insights.

*1 With robust information security measures, we independently integrate and analyze core data, product data, other e-Commerce-related data, customer feedback on customer support, production and logistics data, and activity-based costing data for service improvement, daily business activities, and management decision-making.

*2 Application Programming Interface: a mechanism that enables different software or applications to exchange data.

Monozukuri AI

Examples of AI Utilization at MISUMI

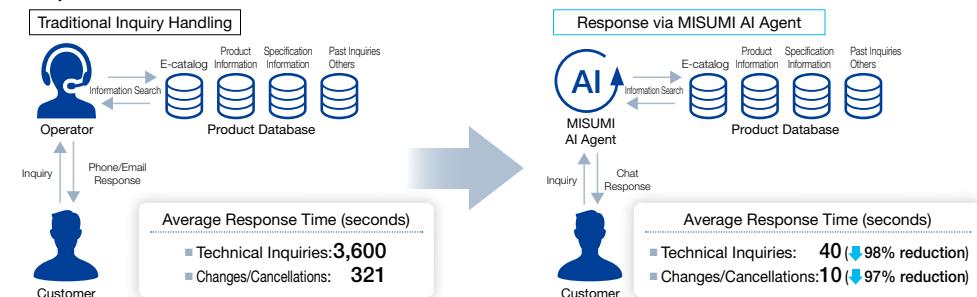


■ AI-powered Chat Service

On the MISUMI e-Commerce site, we provide inquiry support through the MISUMI AI Agent powered by generative AI*3. This service offers two core functions: 1) technical support for confirming product specifications and assisting with product selection from our extensive product lineup and 2) customer support for determining the eligibility of order changes, cancellations, or returns on an order-by-order basis. Responding to customer inquiries, the AI autonomously searches relevant information within the Company database and delivers answers in text format. Available 24/7, this solution has reduced average response times by 97–98% compared to traditional operator-assisted support, ensuring customers receive prompt and seamless access to the information they need. Alongside text input, voice input functionality is also in development.

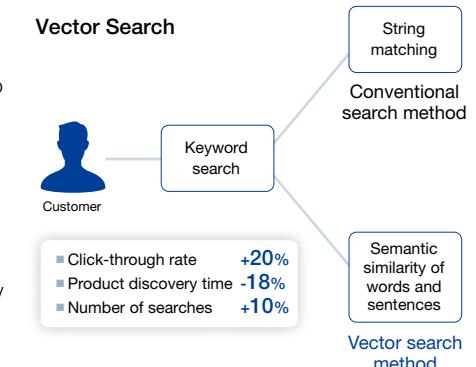
*3 This feature utilizes a chatbot interface that automatically responds to questions via chat and is currently available on the MISUMI e-Commerce site in Japan.

AI-powered Chat Service



■ Vector Search

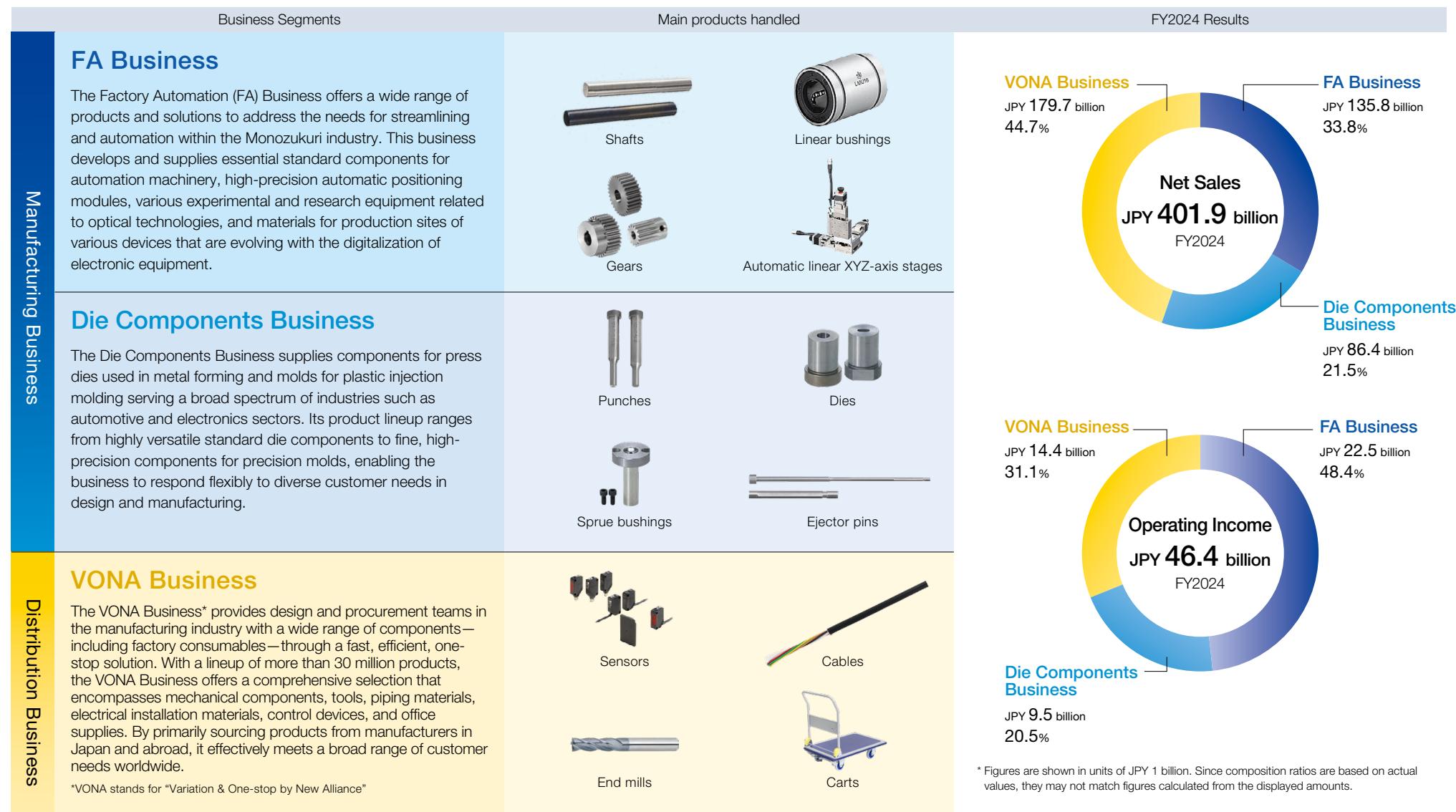
B2B products are highly specialized, and with over 30 million items in our product lineup, MISUMI has faced limitations with conventional e-Commerce "keyword search," which requires exact term matching to function efficiently. Consequently, customers frequently needed to enter multiple variations of keywords to locate the products they were seeking. Our Company was among the first in the industry to adopt "vector search" powered by natural language processing, developing this capability internally. By converting the meaning and context of words and sentences into numerical representations, the system measures semantic similarity to search queries and delivers highly relevant results—even when the intended use isn't explicitly captured in the keywords. As a result, our e-Commerce platform has realized a 20% increase in click-through rate, an 18% reduction in product discovery time, and a 10% rise in the number of searches.



Growth Strategy

Business Portfolio

MISUMI is comprised of 3 business segments: the FA Business, Die Components Business, both of which are manufacturing businesses, and the VONA Business, which is a distribution business. To promptly meet the varying needs of customers in the Monozukuri industry across different regions, we are committed to offering an extensive product lineup and continually strengthening our product assortment.



* Figures are shown in units of JPY 1 billion. Since composition ratios are based on actual values, they may not match figures calculated from the displayed amounts.

Growth Strategy

MISUMI x Fictiv Roundtable Discussion: Essence of “Digital MODEL Shift” and the Future of Global Monozukuri



Participants

David Evans (left)
Corporate Officer
and President & CEO of Fictiv Inc.

Nathan Evans (center)
Corporate Officer
Representative of AI Global R&D Center
and CXO of Fictiv Inc.

Mitsunobu Yoshida (right)
Senior Corporate Officer,
President of ID Business Company, and Chairman of Fictiv Inc.

Value Creation Through Synergy from Integration

Through its integration with Fictiv, a U.S.-based company with an advanced manufacturing platform, MISUMI Group is accelerating the Digital MODEL Shift strategy and pursuing new value creation. In this roundtable session, Mitsunobu Yoshida, Senior Corporate Officer at MISUMI who spearheaded this integration, together with David Evans and Nathan Evans, co-founders of Fictiv, discussed the specific synergy impacts resulting from their collaboration and shared perspectives on the outlook toward establishing competitive advantages within the global marketplace.

Shared Vision and Mission to Support Monozukuri

Yoshida: I have consistently monitored trends within the industrial sector, paying special attention to Fictiv's innovative approach over the years. When Fictiv was founded in 2013, MISUMI was also beginning to move seriously from concept to development, working toward what would become mevy, with the goal of transforming traditional business practices, eliminating inefficiencies, and supporting Monozukuri.

David: At the time, one of the major challenges we saw in our customers' product development was the procurement process

for custom machine parts. Unstable supply chains, substantial time and financial costs, and operational inefficiencies, such as manual quoting and intricate vendor management, led to ongoing delays in product launches and posed significant obstacles to innovation. Fictiv was founded to resolve these issues. Since then, we have been building a cloud-based platform designed to simplify procurement and accelerate manufacturing through digital transformation. To date, the Company has manufactured more than 39 million parts and provides services to over 5,000 customers worldwide.

Nathan: From the outset, our goal was to make ordering precision-machined components as simple as booking an airline ticket online. We aimed to provide engineers and procurement professionals with a platform to bring any product to life—whether it's a rocket or a medical device. Our unwavering mission is to relieve customers from low-value-added manual processes and establish a truly digital-native supply chain, empowering them to focus on innovation and speed up product launches.

Yoshida: When I learned about Fictiv's founding purpose and vision, I immediately thought, “They're just like us.” Their mission to make world-class manufacturing technology accessible to everyone and reduce barriers to product development is perfectly aligned with MISUMI's Digital MODEL Shift growth strategy.

David: We feel the same way. For more than ten years, we have worked with MISUMI as a customer, and from our first interactions, I recognized that we shared a common vision: to make manufacturing faster, more accessible, and more reliable.

Combining the Strengths of Both Companies to Create a One-of-a-Kind Platform That Contributes to the Entire Industry.

David: Fictiv's corporate identity is defined by its role as a digital-native, innovation-driven manufacturing partner. While maintaining the precision and discipline essential to manufacturing, what truly sets us apart is our ability to seamlessly blend agility and creativity—hallmarks of a technology company. We have cultivated a culture that embraces new technologies and encourages bold, forward-thinking ideas.

Nathan: We take pride in having built an inclusive culture by bringing together diverse talent from around the world. At the same time, because we are directly involved in our customers' manufacturing processes, we have consistently earned trust through rigorous quality management and highly transparent communication. As a rapidly growing startup, we expect every employee to demonstrate initiative and ownership, and we empower them with significant autonomy to make that possible.

Yoshida: What stands out to me the most about Fictiv's culture is its impressive combination of “innovation and agility” with “quality and accountability.” In recent years, MISUMI has placed increasing emphasis on the speed of adapting to change, and I find Fictiv's rapid cycle of validation and improvement both remarkable and

Growth Strategy: MISUMI x Fictiv Roundtable Discussion

inspiring. While it's natural that there are differences in organizational culture and mindset, I believe it's important to move forward with integration by understanding and respecting each other. In particular, I have much to learn from Fictiv's swift decision-making and technology-driven approach to problem-solving.

Nathan: We would be pleased if our entrepreneurial spirit and technology-driven approach could help accelerate MISUMI Group's overall pace and transformation. At the same time, joining the MISUMI Group is also highly significant for Fictiv. MISUMI's extensive experience in global expansion, developed over several decades, will enhance the depth and stability of our business operations.

Yoshida: From a business perspective, I believe our differences will become a source of strength. Fictiv excels in complex, custom mechanical components, especially for direct materials used in finished products such as robotics and aerospace. On the other hand, MISUMI's meviy specializes in manufacturing components used in production equipment (indirect materials), offering cost advantages for simple-shaped components.

David: Exactly. Through integration, the scope and convenience of our services will expand dramatically. Beyond meviy, MISUMI's global infrastructure and standard components business will strongly support Fictiv's expansion into new domains. Customers will be able to seamlessly procure both custom and standard mechanical components from a single network, accelerating product development and delivering benefits to companies of all sizes.

Yoshida: This integration is not just a typical M&A, but an exceptionally strategic partnership where we truly complement each other. By combining our strengths, we can enhance the value proposition to existing customers while expanding our reach into



new markets and customer segments. We believe this will enable us to build a one-of-a-kind platform that streamlines everything from prototyping to small-scale mass production, making a significant contribution to the entire Monozukuri industry.

Building a Resilient Supply Chain by Turning Environmental Changes into Opportunities

Nathan: In recent years, the manufacturing environment has become increasingly unstable. Shifts in tariffs and trade agreements, as well as geopolitical risks such as U.S.-China relations and regional conflicts, have resulted in higher costs and restricted market access. Additionally, disruptions caused by natural disasters and cyberattacks have exposed vulnerabilities in the supply chain. That said, these changes also present new opportunities. Our Company has expanded its manufacturing network across the United States, Mexico, India, and China, building a structure that can flexibly respond to geopolitical risks.

David: One of our major strengths is having a system that enables us to source from the most optimal region depending on the situation. For example, even if production in a specific region

becomes less advantageous due to tariff changes, we can quickly shift our manufacturing bases to alternative locations without compromising on quality or delivery times. Furthermore, by leveraging AI-powered real-time visibility, we gain a comprehensive understanding of our fragmented global manufacturing landscape allowing us to minimize risks and optimize costs for our customers. This capability is a significant competitive advantage for us.

Yoshida: It is crucial to view changes in the external environment not as "threats," but as "opportunities."

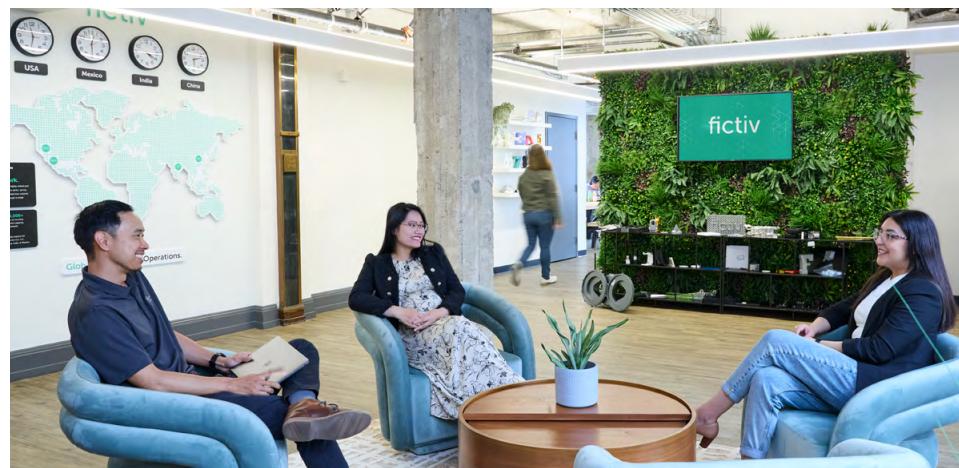
Transforming new digital solutions into competitive strengths is essential in today's era, and MISUMI is pursuing the same direction.

Nathan: Now that we have joined the MISUMI Group, I am even more committed to our mission to "Unlock the world's creative potential to innovate." We will broaden access to world-class manufacturing, eliminate procurement fragmentation, and build a more resilient supply chain. Regardless of global circumstances, we aim to create an environment where everyone—from startups to large enterprises—can quickly prototype, iterate, and accelerate time-to-market for their products. This is what it means to "democratize access to manufacturing" and to establish a Digital Foundation built for the new era.

Yoshida: I strongly resonate with that perspective. We aim to create a world where everyone involved in manufacturing can access high-quality components quickly and without barriers, enabling all industries to advance product development smoothly. Through the integration of MISUMI and Fictiv, we hope to bring new "creativity and smiles" to the Monozukuri industry.

Growth Strategy

Fictiv: Digital On-Demand Supplier Shaping the Future of Global Monozukuri Through Advanced Technology and an International Network



Fictiv's Business and Core Values: Maximizing "Time Value" in Manufacturing

Founding Philosophy

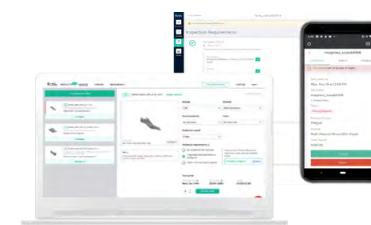
Fictiv was established in 2013 to resolve a fundamental challenge in product development: enhancing the productivity of the procurement process for custom machine components, which remains one of the most significant obstacles. The Company's clear purpose, *"Unlock the world's creative potential to innovate."* serves as the driving force behind its development of digital technologies.



Services Offered

Fictiv streamlines the on-demand procurement of custom machine components for a wide range of products by enabling users to upload 3D data directly to its platform. What was once a closed analog process, can now be managed entirely online—from a single prototype to mass production runs exceeding one million units—with delivery possible in as little as 24 hours. This innovative approach accelerates product development cycles and eliminates inefficiencies.

- Providing instant quotes and Design for Manufacturability (DFM) feedback via an AI-powered platform
- Supporting diverse manufacturing methods, including CNC machining, injection molding, 3D printing, die casting, sheet metal fabrication, compression molding, and urethane casting
- Offering comprehensive services: product design, bill of materials cost reduction, assembly, global sourcing, customs management, and logistics optimization



Foundations of Competitive Advantage

Proprietary Business MODEL

Fictiv is a leading U.S. company focused on providing on-demand processing services for custom machine components. Operating with an asset-light model, the company does not own manufacturing facilities, resulting in strong capital efficiency. Fictiv has raised a total of USD192 million in funding and has achieved rapid growth.

Cutting-edge AI Technology and Skilled Professionals

Fictiv has developed a proprietary digital platform that uses advanced algorithms and artificial intelligence to deliver highly accurate quotes, maintain quality control, and select the most suitable suppliers. The Company is backed by a team of exceptionally talented individuals with expertise in both manufacturing and AI, forming the cornerstone of its development capabilities.

Global Network

By collaborating with approximately 250 carefully selected manufacturing partners worldwide, Fictiv offers exceptional flexibility and scalability to support a diverse array of manufacturing processes. The Company can fulfill any customer order in as little as one day and has established a foundation that can readily adapt to geopolitical supply chain risks.

Solid Customer Base

The Company serves more than 5,000 customers worldwide, ranging from startups to large enterprises dedicated to driving innovation. Its primary customers are major corporations in high-growth sectors such as robotics, energy, healthcare, and aerospace, with a strong focus on the United States.



Organizational Culture

Fictiv's culture is defined by a strong execution capability, seamlessly integrating the founders' entrepreneurial spirit with a digital-native approach to transforming Monozukuri and an unwavering commitment to deliver results. This technology-driven momentum, paired with a readiness to embrace and learn from setbacks, is set to accelerate MISUMI Group's digital transformation.

Moreover, by consistently upholding high standards of quality and efficiency, and proactively addressing customer challenges as our own, we demonstrate a strong commitment to service excellence. This approach is fully aligned with MISUMI's corporate philosophy, *"Your Time, Our Priority,"* fostering synergistic outcomes that are well-positioned to drive market transformation.



Growth Strategy: Digital MODEL Shift**MISUMI floow: Expanding Our Business Domain Downstream by Reducing Overall Costs Throughout the Procurement Process****Future Outlook**

MISUMI floow is a service that supports the DX of procurement operations in high-volume, repetitive operational environments within the Monozukuri industry. By expanding its domain from the traditional equipment manufacturing sector to addressing challenges in mass-production settings, MISUMI is broadening its overall value proposition.

Corporate Officer, President of the Factory-MRO Business Company

Takashi Baba

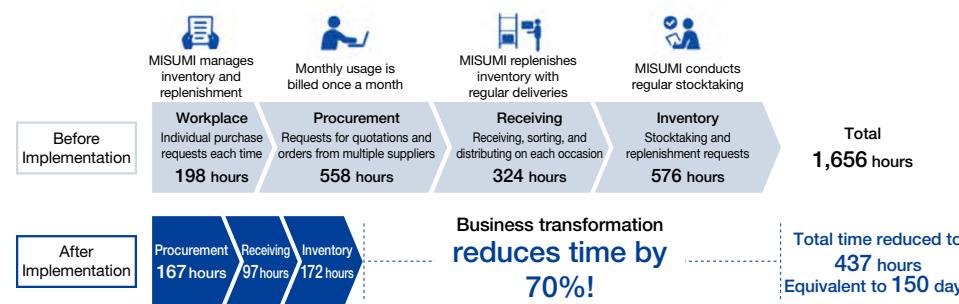
Background to Development

MISUMI floow is a comprehensive cost-reduction service for manufacturing components and marks a new pillar in our Digital MODEL Shift, following mevyi, Economy Series, and D-JIT. By moving beyond services traditionally offered to equipment manufacturing, we are now tackling challenges in mass production environments to deliver greater value across a broader range of industries. The MRO (maintenance, repair, and operations) products offered by MISUMI floow, such as everyday tools and consumables, represent a high-growth segment within our business portfolio. By implementing MISUMI floow, we are expanding customer touchpoints and contributing to the overall revenue growth of the MISUMI Group.

To address structural challenges facing the Monozukuri industry, including labor shortages, time constraints, and rising material and labor costs, we have developed MISUMI floow as an innovative digital solution.

The concept originated from the need to fundamentally transform the inefficiencies found in the complex procurement of indirect materials at mass production sites by using data- and system-driven approaches.

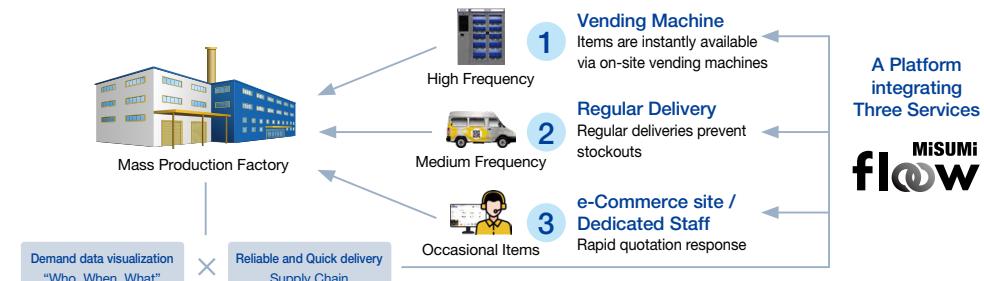
By automating order processes for procurement professionals and providing real-time visibility into inventory levels, MISUMI floow reduces procurement-related time by approximately 70%. This enables optimal inventory management and operational efficiency at the same time.



* The total annual time required for each process.

* Figures are calculated based on the average time per production line across five companies that have implemented the system.

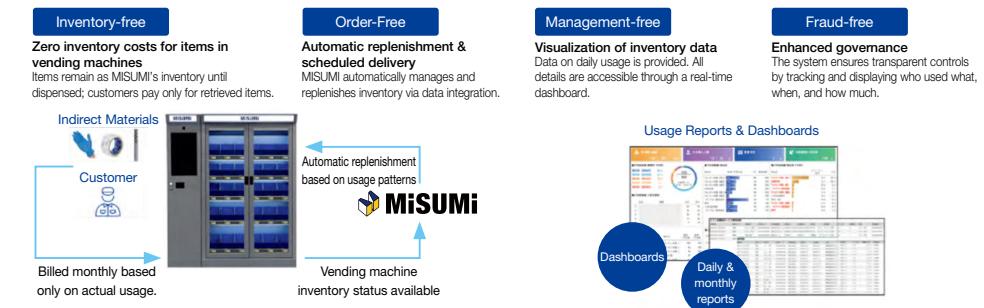
* The total reduction is the sum of time saved at each process stage, rounded up to the nearest whole number.

Driving Procurement DX at the Production Site

MISUMI floow is a service that streamlines the procurement of manufacturing components by providing products through the most suitable channels, based on customer demand data, thereby reducing overall costs.

For high-frequency items, vending machines equipped with communication and data connectivity are installed within the factory, allowing immediate access whenever needed. This MODEL, inspired by the "Toyama Medicine Box" model, visualizes usage by tracking who used what, when, and how much. By analyzing usage trends and operational patterns, it enables improvements in inventory management, order accuracy, including more efficient use of consumables. Medium-frequency items are supplied via regular deliveries, while high-value, quotation-based items are handled through the MISUMI e-Commerce site or a dedicated support desk, ensuring flexible responses to all procurement needs.

Companies that have implemented MISUMI floow have achieved multifaceted benefits, including optimized inventory levels, more time for process improvement, reduced psychological burden associated with inventory management, and lower environmental impact through reduced packaging through streamlined deliveries. In FY2025, MISUMI floow received several external recognitions, including the Good Design Award, the IT Award for Excellence (Customer Value & Service Innovation Division), and the Encouragement Prize in the SX category at the Japan DX Awards.

**Strengthening Mass Operations to Unlock New Business Opportunities**

Moving forward, we will continue to develop new features driven by feedback from frontline operations and will further accelerate our global expansion, with a particular focus on Asia. By solving on-site challenges not only in the Monozukuri industry but also in high-volume operations, we aim to accelerate the growth of MISUMI's business segments.

Growth Strategy: Digital MODEL Shift**Economy Series, D-JIT—Enhancing Price and Quantity Flexibility to Meet Customer Needs****Economy Series****Strong Price Competitiveness to Counter Rising Costs**

The Economy Series is expanding its presence in Japan, China, and throughout Asia, setting itself apart by addressing the unique needs of customers in each region. By focusing exclusively on the essential functions of traditionally costly products, such as motors and cable carriers, we have achieved substantial price reductions.

Corporate Officer, President of the Mechatronics Business Company

Hitoshi Ura

This product series is designed to meet mid-range demand, providing optimal quality at a low cost. By refining specifications and manufacturing processes, we have achieved an average price reduction of 45% and, in some cases, up to 90% compared to conventional products.

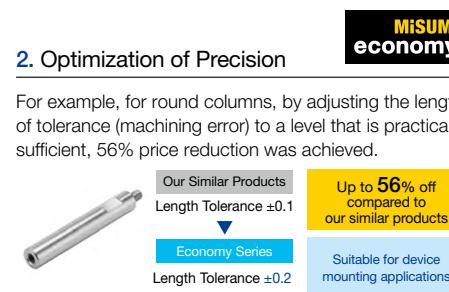
The series includes more than 600,000 products worldwide, and as of March 2025, approximately 90,000 companies are utilizing them.

Three Factors Enabling Cost Efficiency**1. Revision of the Manufacturing Processes**

For example, switching washers from “turning” to “press processing” has lowered prices by up to 82%.

**2. Optimization of Precision**

For example, for round columns, by adjusting the length of tolerance (machining error) to a level that is practically sufficient, 56% price reduction was achieved.

**3. Mass Production & Inventory Accumulation**

For example, with stainless steel bolts, changing from “loose-item sales” to “bulk-packaging sales (50 pcs)” resulted in a 50% cost reduction. Costs are further controlled by maintaining a global inventory through mass production and selling in packs.

	Our Conventional Products SCB/BOX-SCB	Economy Series E-GSCB/ E-BOX-GSCB	Price Reduction Rate (compared to conventional products)
Loose-item Sales:	8 yen/unit	6 yen/unit	25%
Bulk Packaging Sales:	4 yen/unit	2 yen/unit	50%

* Comparison based on tax-excluded price

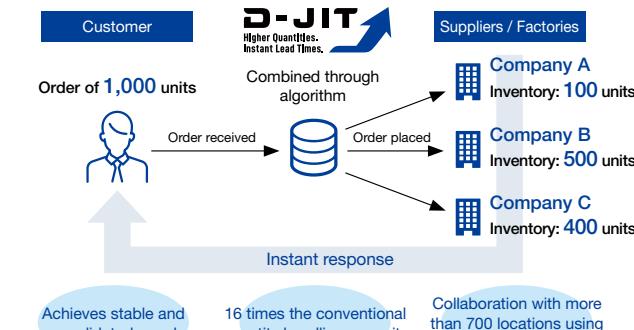
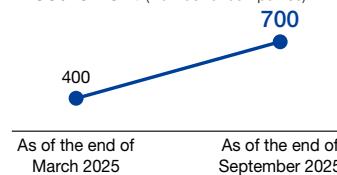
D-JIT**From MISUMI for Small Quantities to MISUMI Even for Large Quantities**

By integrating inventory data through cyber network with over 700 suppliers in Japan and abroad, MISUMI's available product supply quantity has increased significantly. Globally, following South Korea, Thailand, Taiwan, and Europe, this service offering expanded in November 2025 to the United States and Mexico. More than 90,000 companies are using D-JIT as of November.

Corporate Officer, Representative of DJ System Global Development Center

Tomohiro Yamamoto

D-JIT offers an innovative purchasing solution that removes the need for adjusting lead times and waiting for quotes, even when placing large orders. Full-scale deployment began in Japan in April 2024. When customers enter their desired quantity on the MISUMI e-Commerce site, prices and lead times for large orders—previously available only by quotation—are now provided instantly. Previously, if the required quantity was unavailable, purchasing managers had to contact suppliers and gather inventory, leading to inefficiency. D-JIT has resolved this issue.

Cyber Network-based Collaborative Procurement (Number of companies)

Proprietary algorithms calculate available quantities and lead times, instantly displaying them on the MISUMI e-Commerce site

External Recognition

Our innovative procurement MODEL for the manufacturing industry has been recognized with the IT Grand Prize in the Customer Value and Service Innovation category at the 2025 IT Awards, as well as the Excellence Award in the Business Transformation category at the Japan DX Awards. Furthermore, our initiative to redefine logistics value received the Runner-Up Grand Prize at the Logistics Awards.

Growth Strategy: Digital MODEL Shift

3D CAD Design Support

RAPiD Design



This 3D CAD data library software is designed for components used in automation equipment and facilities. It allows users to select parts, acquire data, and request quotations within the CAD platform—streamlining complex processes and reducing design time by over 90%. The software is trusted by more than 5,000 companies, and its user base continues to grow due to integration with mevy and broader compatibility with various CAD programs.

POINT 1

Integration with SOLIDWORKS, iCAD SX, and Inventor

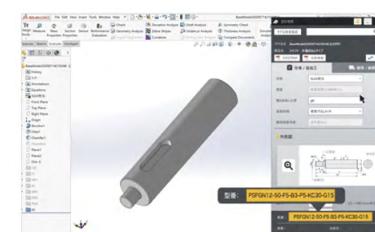
Import models directly into your 3D CAD software



POINT 2

Integrate CAD data with MISUMI part information

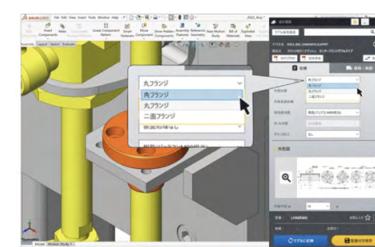
Acquired models are automatically assigned part numbers, prices, and delivery information, which are also updated automatically



POINT 3

No need to replace CAD data when making design changes

After importing, you can easily edit directly in CAD, eliminating the need for tedious file replacement tasks

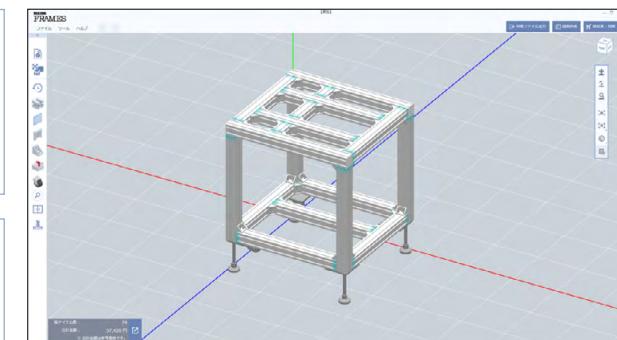


MISUMI FRAMES

This installable software allows users, even those without CAD experience, to intuitively design and order aluminum frame structures as if they were drawing a picture. By automating labor-intensive tasks, it delivers up to 90%-time savings compared to traditional methods. More than 100,000 users at 40,000 companies in Japan and abroad rely on the software, which is available in Japan, North America, Germany, Singapore, Thailand, Malaysia, and Vietnam. We intend to further accelerate global expansion with a focus on Asia.

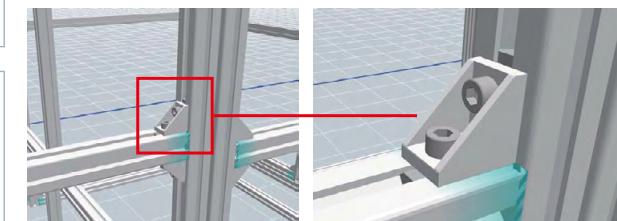
POINT 1

Easily design enclosures with an intuitive interface



POINT 2

Enhance design efficiency through CAD integration



POINT 3

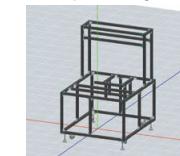
Significantly reduce ordering errors Instant quotes and ordering.

When you select products and connect the aluminum frames, nuts and brackets are automatically aligned.

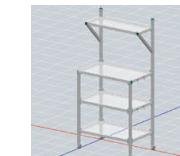
POINT 4

Access an extensive database of design case studies

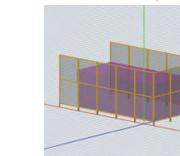
Plastic processing frames



Electronic workbenches



Safety fences for manufacturing automotive parts



Camera stands for electronic parts manufacturing



Growth Strategy: Digital MODEL Shift

NEWTON: New “AI Ready” Core System Accelerating Company-wide DX

Characteristics of NEWTON

Implementation Background

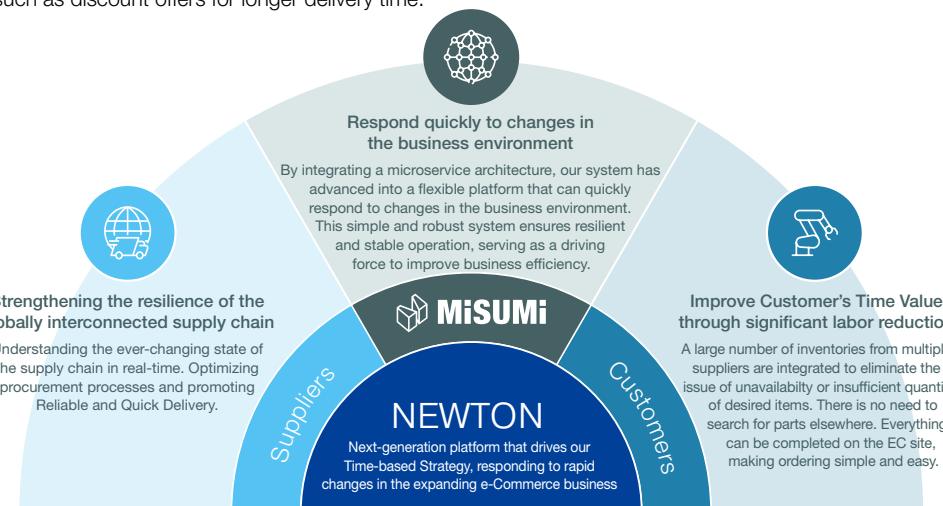
MISUMI has made IT infrastructure enhancement one of its top priorities and is advancing the development and deployment of the new core system, NEWTON, to support global business expansion. During the transition from the previous core system, we reassessed our strengths and weaknesses and conducted a thorough review to determine which data and functions should be retained, redesigned or eliminated. We believe that strengthening our business and updating our core system are inseparable; NEWTON is designed to be a state-of-the-art and adaptable infrastructure that evolves alongside our Business MODEL.

Characteristics

NEWTON combines a highly resilient multi-cloud architecture with a microservices-based order and fulfillment system enabling flexible responses even in times of disruption. By securely connecting with external systems via APIs, NEWTON also enables seamless integration with cloud services and external, general-purpose AI solutions. Compared to our legacy core system, development speed has tripled, and costs have been reduced to one-third, further driving savings through in-house e-Commerce development. Operationally, system performance, availability, security, and operability have improved significantly. Throughout the enhancement process, the system and business teams collaborated closely, ensuring that unnecessary complexity and tight coupling were avoided.

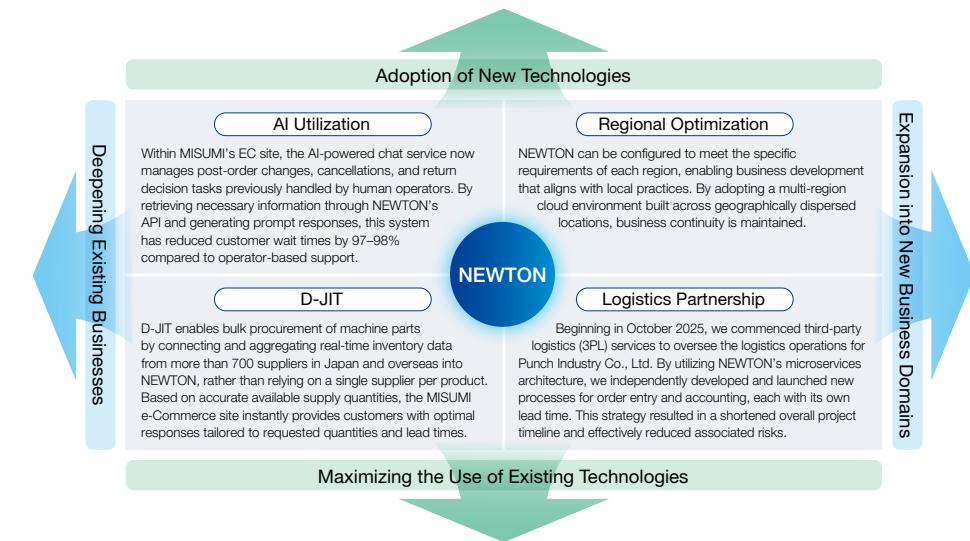
Value Proposition

NEWTON was developed with the aim of building an infrastructure that can respond swiftly to changes in customer needs and the Monozukuri industry, incorporating scalable and globally applicable mechanisms while strengthening differentiating factors in competitive areas. With solutions such as D-JIT, which integrates and visualizes supplier inventory data in real time. NEWTON not only addresses challenges in our existing businesses but has made it faster and easier to introduce new businesses and services, such as discount offers for longer delivery time.



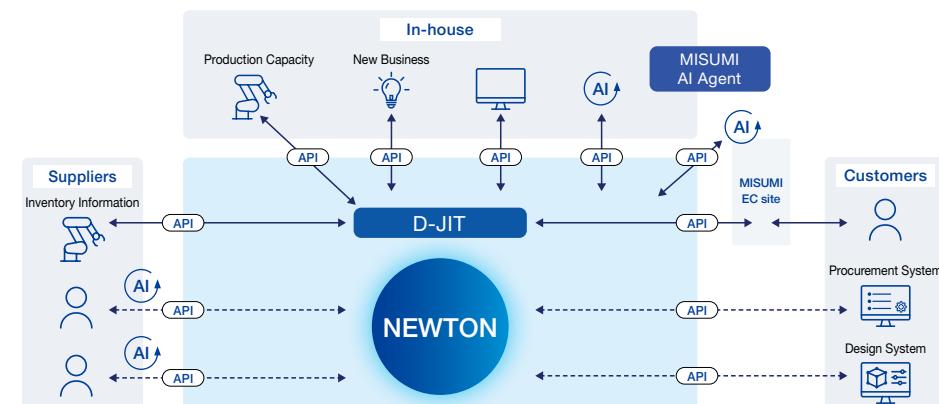
Results of NEWTON Implementation

NEWTON, our core system designed to provide flexible support across diverse regions and emerging business domains, is expected to enhance system performance and further drive business growth by directly contributing to value creation.



A Flexible and Scalable Core System

NEWTON's microservices offer a range of standardized APIs. By securely connecting with customers and suppliers in real time, we strive to reduce information gaps and eliminate inefficiencies.



Growth Strategy: Digital MODEL Shift

Case Studies (Customer Testimonials)

MISUMI's digital services are effectively addressing challenges faced across the Monozukuri industry. Drawing feedback from customers who have implemented these solutions in their design, procurement, and production workflows, we present key aspects of MISUMI's value proposition.

Case 1

Improving Productivity in Design, Procurement, and Production Sites Supported by meivy and MISUMI floow

Challenges Prior To Implementation

Our flagship product, "Rakuraku Hand," is a hand crane designed to ease the workload of workers who handle heavy objects at manufacturing sites. Since each workplace has unique requirements, the design drawings must be tailored to fit each specific situation.

Even though designs were created with 3D CAD, it was still necessary to generate paper drawings for part fabrication and procurement. Furthermore, inventory management and ordering of indirect materials, such as work gloves, were handled individually at the manufacturing site, which added to the responsibilities of the procurement department.

Post-implementation Effects

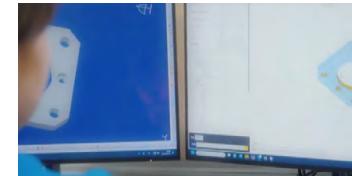
The procurement department worked together with the design department to promote the introduction of meivy, aiming to enhance operational efficiency. This collaboration achieved smooth integration between design and procurement processes. In the design phase, quotations can now be generated directly from 3D data, reducing the workload of creating paper drawings. On the procurement side, orders can now be placed using only model numbers, significantly cutting down on administrative tasks such as stamping large quantities of paper drawings for release and then contacting external manufacturers by fax or email.

At the production site, the introduction of MISUMI floow established a system in which indirect materials, such as gloves, are automatically replenished through vending machines. These reduced procurement tasks allowed immediate access to necessary materials, even during nights and holidays.

MISUMI's digital services are connecting departments and streamlining operations from design to the manufacturing site.

Future Outlook

With reduced workloads across design, procurement, and manufacturing, we can now dedicate more time to address customer needs and solve their challenges, which increases the added value of our products and designs.



Direct quotation from 3D data with meivy



Uninterrupted Procurement of Indirect Production Materials via MISUMI floow Vending Machines

Customer Profile Aikoku Alpha Co., Ltd.

Location: Inazawa City, Aichi Prefecture

Business: Manufacturing and sales of automotive parts, hand cranes, processing of aerospace parts, and development and sales of CAD/CAM systems for the above manufacturing industries

Number of employees: 1,021



Technical Manager, Rakuraku Hand Division, Procurement Group

Junichiro Kawai

Case 2

Visualizing Market Inventory with D-JIT for Easier Production Planning

Challenges Prior To Implementation

Our Company manages every aspect of system and equipment design, manufacturing, and maintenance related to conveyance and inspection for customers in industries such as beverages and food. In procurement, we source parts based on lists provided by the design department; however, securing the required quantities within short lead time frames has been extremely challenging, and we were constantly under pressure.



D-JIT clearly displays market inventory quantities and lead times on the MISUMI EC site.

Post-implementation Effects

By referencing the MISUMI EC site, which integrates inventory information from multiple suppliers, we can now view an overview of market inventory and lead times. This makes production planning much easier. Our vision is to "realize customer factories that never stop," and we are now able to minimize the risk of delays in system and equipment manufacturing.

Future Outlook

By capitalizing on the time gained through streamlined parts procurement, we are prioritizing the development of new collaborative frameworks and the advancement of internal process innovation. Our objective is to build a structure that delivers even greater added value as we move forward.

Customer Profile N-Tech Co., Ltd.

Location: Yoro Town, Gifu Prefecture

Business: Design, manufacture, and maintenance of conveyance and inspection systems and equipment for the beverage and food industries

Number of employees: 192



Procurement Section Manager, Manufacturing Department

Osamu Hiraki
(Right-side of the picture)

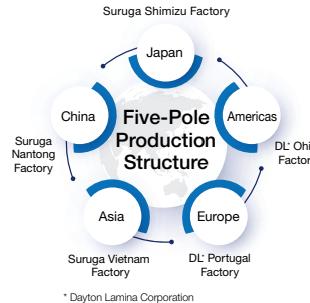


Growth Strategy

Manufacturing Capital

With 22 production sites and 20 distribution centers across five global regions, our global production and supply network supports Reliable and Quick Delivery.

Risk-resilient Global Five-Pole Production Structure



Standardized parts, such as FA components and die components, are produced as “semi-finished products” at factories like those in Vietnam, then undergo final finishing near the point of consumption. This approach minimizes inventory. Even for Make-To-Order products without inventory, we consistently achieve high quality, reliable and rapid delivery, and low costs.

Custom machine parts are produced at multiple mevfy factories leveraging our Digital Manufacturing System which allows for flexible switching between production sites. Even during the COVID-19 pandemic, this resilient production framework ensured stable operations and made a significant contribution to strengthening the competitiveness of our entire supply chain.

Global Network

In October 2024, MISUMI Group Inc. entered into a capital and business alliance agreement with Punch Industry Co., Ltd. Through this partnership we aim to complement and reinforce each other's strengths, driving growth and development throughout a wide spectrum of metal processing fields. Our efforts span both standard and custom products, and include not only automation equipment, but also peripheral and die components.

Distribution Centers

A specialized department promoting warehouse automation in Japan is streamlining logistics operations by combining automation technologies, such as shelf-transport robots with on-site improvements. In October 2025, the distribution hub of Punch Industry Co., Ltd. was integrated into our East Japan Distribution Center. In April 2026, West Japan Distribution Center will move to a new facility with a total floor area 7.5 times larger, significantly expanding capabilities to include storage for 400,000 items and processing of 100,000 order lines per day. The system for stable supply, even in emergencies, will be further strengthened.

● **East Japan Distribution Center**
Recipient of the highest honor, “Best Logistics Improvement Award,” at the All-Japan Logistics Improvement Case Competition

The East Japan Distribution Center accounts for approximately 36% of our global shipment volume and previously managed picking operations involving 2.4 million inspection tasks per day. To ease operational burdens, we independently developed a DPC system equipped with image recognition and weighing functions, achieving a 21% increase in productivity compared to 2022. Over the past two years, we have implemented 1,100 improvements, earning high recognition for our unwavering commitment to the “Three Actuals Principle” (actual place, actual thing, actual situation).



Picking operations using DPC

Central Japan Distribution Center

The Central Japan Distribution Center, a reference site for warehouse automation, manages approximately 30% of our total domestic sales volume. In November 2020, we began full-scale operations at an automated warehouse featuring large-scale material handling equipment. On-site teams have continuously identified and resolved challenges, resulting in productivity levels about twice as high as our conventional system. The expertise developed here is now being applied to logistics sites in Europe and the Americas.



Central Japan Distribution Center

Shanghai QCT Center

The Shanghai QCT Center, which commenced operations in April 2024, features an advanced, highly flexible, and adaptable design. Serving as the core hub of our distribution network in China and Asia, it offers the largest storage capacity and handling volume among MISUMI's overseas distribution centers. The center conducts research on cutting-edge logistics-related technologies and has developed 31 types of low-cost automation equipment, securing 72 patents. Of these, nine types have been implemented at distribution centers in Japan, Korea, and other regions in Asia. Since its launch, overall productivity has increased by 31%.



Shanghai QCT Center

“Optimal Automation”—Collaboration Between Digital Technology and People

At MISUMI's production facilities and distribution centers, we do not pursue full automation indiscriminately. Instead, we combine “just-in-time” teamwork with advanced digital technologies to eliminate inefficiencies at every level. Each day, we strive to achieve the optimal balance of automation—what we refer to as “best-fit automation.”

Production Factories

■ Suruga Production Platform, Shimizu Factory

Suruga Production Platform's die components factory stands as MISUMI's mother factory—the birthplace of the MISUMI Production Method, which enables shorter, more consistent lead times and significant cost reductions. We developed in-house automation solutions for Make-To-Order production processes that are widely regarded as challenging to automate, which now allows a single operator to manage nine machines at once. Back in 2010, it took 40.5 hours to process, inspect, and prepare semi-finished products for shipment. Now, the process has been shortened to approximately 40 minutes. We handle about 2,000 custom orders per day, all with different dimensions, and can ship as few as one item, with same day shipping available for the fastest orders.



Die Components Factory
In-house-developed Processing Machine “ALASHI”



mevfy Factory
Digital Manufacturing System

Our mevfy factories, which manufacture custom machine parts, are equipped with proprietary production lines automatically generate manufacturing data and harness robotics and advanced digital technologies. We are committed to continuous innovation as we shape the future of manufacturing.

Even in high-mix, variable-quantity production environments, our manufacturing sites deliver exceptional productivity and Reliable and Quick Delivery—without relying solely on full automation. Through the combination of strategic investments and ongoing improvements, we relentlessly pursue the optimal level of automation for every process.



Growth Strategy

Human Capital

MISUMI's Human Capital Management: Best Place To Grow

Growth Chain-reaction Aspired Management: Employees' Challenges as the Starting Point

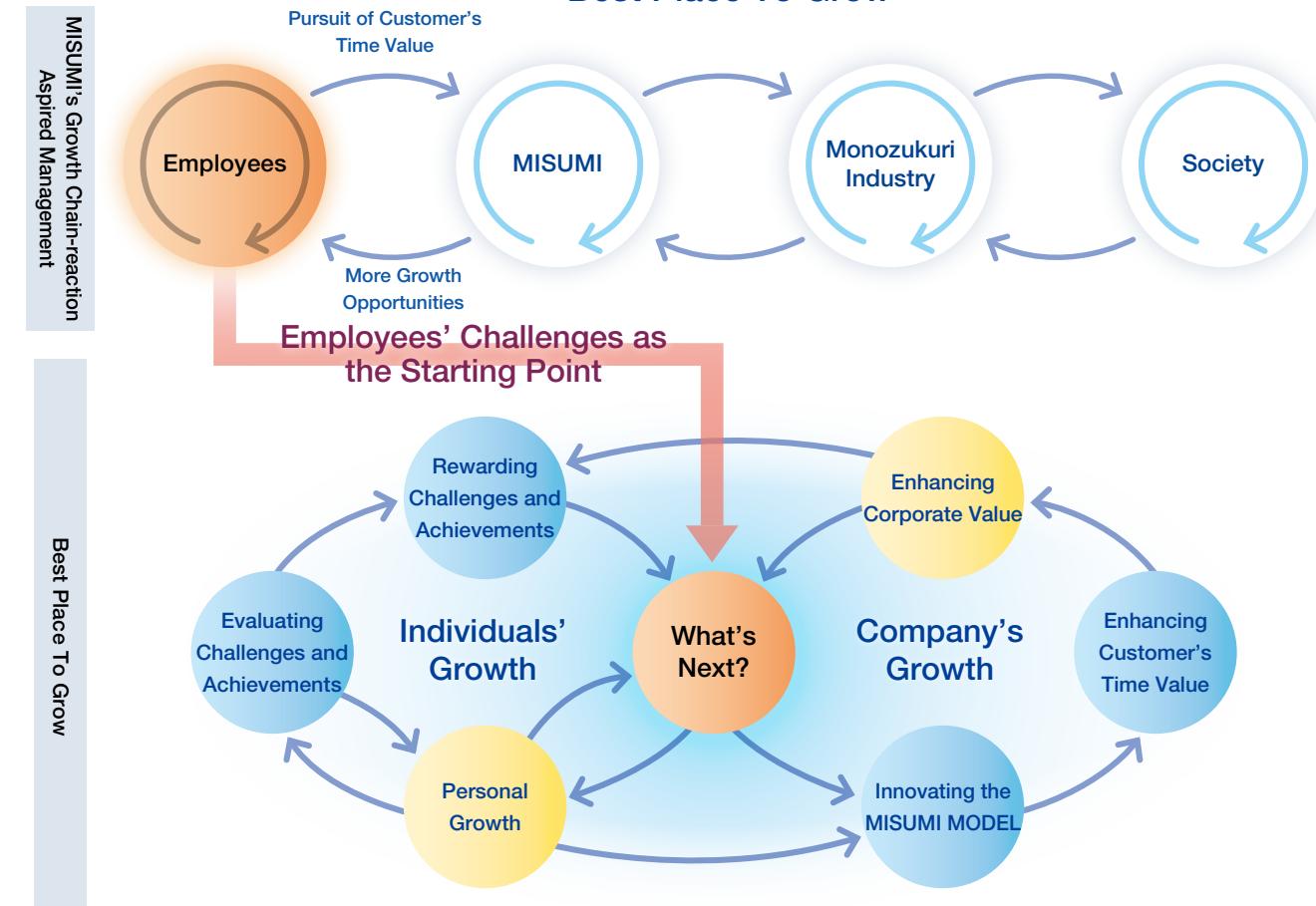
By eliminating inefficiencies in the Monozukuri industry and enhancing Customer's Time Value, MISUMI aims to realize Growth Chain-reaction Aspired Management where MISUMI, the Monozukuri industry, and society grow and develop together. Since the products we handle do not have significant differentiating features on their own, we continually innovate our business model, the MISUMI MODEL, to deliver greater added value. It is our people who consistently refine this MODEL. Therefore, employees' challenges serve as the starting point for Growth Chain-reaction Aspired Management and form the foundation of our Company's approach to human capital management.

Individuals' Growth and Company's Growth

The cycle illustrated on the left side of the figure begins with each employee asking, "What's next?" and centers on pursuing Individuals' Growth. This cycle highlights the proactivity of each employee: they grow by taking on new challenges, the Company acknowledges and rewards these efforts appropriately, and this recognition inspires employees to pursue their next stage of growth, forming a continuous and virtuous cycle. The cycle on the right focuses on Company's Growth. By aligning individual challenges under each organization's strategy and driving MISUMI MODEL innovation, we enhance the value proposition to our customers, ultimately leading to increased corporate value.

The continuous rotation of these two interlocking cycles, always working in tandem, enables sustainable growth for our Group's employees and organizations and serves as the foundation of our Growth Chain-reaction Aspired Management. This framework represents the core of the MISUMI Group's approach to human capital management, illustrating that our Group is full of opportunities and offers unmatched growth potential worldwide. In other words, MISUMI is the Best Place To Grow for every employee.

The relationship between MISUMI's Growth Chain-reaction Aspired Management and Human Capital Management: Best Place To Grow



Growth Strategy: Human Capital

Four Mechanisms for Becoming the Best Place To Grow

For MISUMI to remain the Best Place to Grow for its employees, we must always maintain a cycle of individual and organizational growth in every location. This cycle is fueled by the question “What’s next?” and supported by mechanisms that encourage employees to take on new challenges in an accelerated manner. To this end, the MISUMI Group has established the following four key mechanisms, along with supporting subsystems to ensure employees pursue the right challenges and further accelerate their developmental growth.

Four Mechanisms	Subsystem	Details
1. Individuals' Challenges and Growth	Next Challenge Program	A program that encourages employees to constantly ask “What’s next?” and to voluntarily shape their own career paths.
	Evaluation System	The evaluation system is a unified framework with two axes: Practical Capability Evaluation, which assesses how employees embody the MISUMI Value's, and Performance Evaluation, which measures the achieved outcomes.
	Compensation System	It is designed on the principle of rewarding those who embrace challenges and deliver results at market-leading levels.
2. Organizational Challenges and Growth	Business Plan	Executives take ownership of both designing “growth strategies,” namely Business Plan, and executing them.
	M-Up/ Q-Up	Global forums to share, celebrate, and learn from MISUMI MODEL advancements across workplaces. Each year, the Company hosts M-Up (MISUMI MODEL Up) for all employees and Q-Up (Quality Up) for manufacturing divisions.
	Management Forum	Opportunities for direct dialogue between top management and employees, held company-wide and across hubs and department levels.
3. Direct Growth Impetus	MISUMI Strategy School	Leadership programs taught directly by top management, fostering strategic thinking and a leadership mindset required of future leaders.
	Next-Generation Talent Development	The entire executive team is collectively responsible for nurturing and monitoring future executive candidates.
	Improvement Literacy Lectures	Company-wide programs to boost productivity and enhance Dynamic Capabilities.

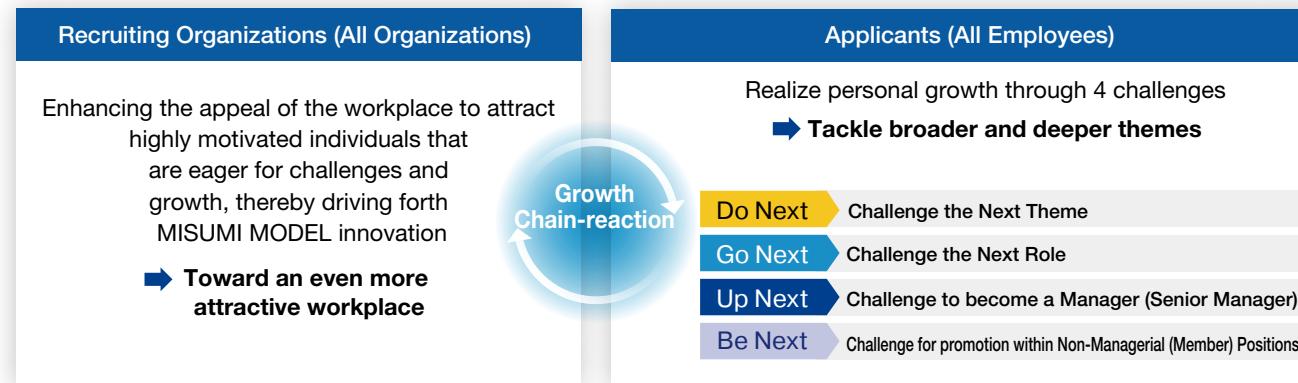


Four Mechanisms	Core Perspectives	Details
4. Organizational Development (Right Ways to Grow)	Right Challenges: Keep Challenging	We foster an environment that continually encourages employees to ask “What’s next?”, avoids complacency, and embraces ongoing challenges, while deploying programs like the Next Challenge initiative worldwide.
	Right Perspective: Think and See Right	We strengthen the right perspective, grounded in MISUMI Value's, by implementing the evaluation system and related initiatives globally.
	Right Actions: Discipline	To encourage swift and disciplined right actions, we have reinforced internal controls and introduced the Dynamic Leadership Program, our change-responsive leadership development initiative.
	Right Environment: Fair Environment	We advance initiatives such as zero harassment and Diversity & Inclusion to foster a work environment where individuals can take on maximum challenges while considering personal circumstances and ensuring fairness for all.

Growth Strategy: Human Capital

Next Challenge Program

Establishing an In-house Labor Market



Maximally Stimulate “Employees’ Challenges,” which Serve as the Starting Point for the “Best Place To Grow”

Employees proactively challenge various themes, and the organization creates opportunities for challenges and enhances workplace appeal, aiming for a mutually reinforcing, virtuous cycle of Growth Chain-reaction.

Employees constantly consider “What’s next” for their own career paths and voluntarily choose from the following four “Next Challenges” (XX Next).

Do Next and Go Next

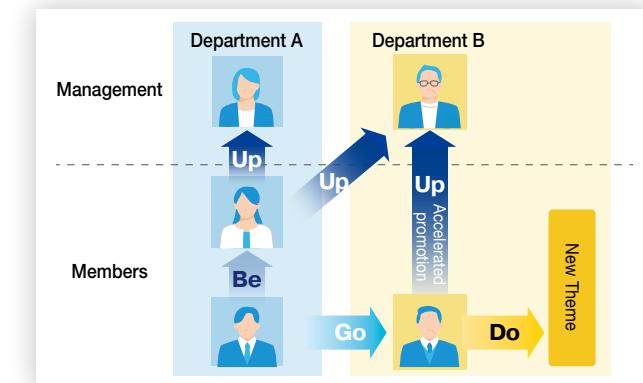
■ “Reset” Current Positions to a Clean Slate

Employees typically have the autonomy to decide whether to transfer based on their career aspirations. Remaining in the same role for an extended period and becoming complacent is considered an obstacle to growth. The Do Next and Go Next initiatives require employees to “reset” their current positions each year. To either remain in their current role or pursue a transfer, employees must “apply” to their preferred organization to select their position. A notable characteristic of this system is the opportunity to explore various career paths within the Company, including transfers across countries and job functions.

■ Establishing an In-house Labor Market

As a foundation for mutual selection and appeal between employees and organizations, MISUMI has established its in-house labor market: MISUMI NEXT Market (MNM).

Through MNM, recruiting organizations present their challenge themes (strategies and actions). Employees, as applicants, actively pursue their next challenges by attending briefings hosted by various organizations. The application and selection processes are also facilitated through MNM. Furthermore,



the HR department serves as an internal agent, providing support for any concerns that arise for both applicants and recruiting organizations.

Up Next and Be Next

We offer Up Next and Be Next formats for self-driven career advancement and promotions.

These are conducted year-round, allowing individuals to take on challenges according to their career plans. The challenge requirements do not consider age, gender, nationality, or even experience and tenure. Moreover, individuals can also “skip grades” by trying out for positions more than two levels above their current one.

KPI for the Next Challenge Program and Future Developments

As an indicator to measure employees’ next challenges, our Group has set internal mobility as a KPI.

Currently, it is primarily implemented for employees at MISUMI Japan, but we are advancing the development of a scheme that includes overseas Group companies.

MISUMI Japan’s current mobility rate
(Next Challenge transfer rate)

Target value
(FY2025)

15%
FY2023

18%
FY2024

20%

Growth Strategy: Human Capital

Interviews with Next Challenge Program Participants

INTERVIEW



Age 29/ Joined MISUMI as a new graduate

Mai Hattori**Go Next**

September 2024
 The Legal Department, MISUMI Japan →
The Legal Department, MISUMI Europe



Age 37/ Joined MISUMI as a mid-career hire

Feiying Wang**Up Next**

January 2025
 Member position →
Section Leader in the mevy Business Department



Age 36/ Joined MISUMI as a new graduate

Takuya Sanetou**Up Next**

June 2025
 Director →
President Director of the Indonesian Subsidiary

■ What Inspired Me to Take on the Challenge

From my experience studying abroad as a student, working overseas has been one of my goals since I first joined the company. By consistently expressing my interest in international work to my supervisor and actively participating in global projects, I believe these efforts ultimately led to my overseas assignment.

■ Having Worked in Germany

While the core aspects of my work remain largely unchanged from Japan, working in a different country naturally brings differences in legal systems and areas of focus. In some fields, we are engaged in initiatives that are even more advanced than those in Japan, which makes the work challenging at times but also highly rewarding and interesting.

Another positive aspect is the opportunity to work with colleagues from diverse backgrounds. MISUMI Europe operates in 11 languages, and employees represent more than 30 nationalities. Through daily interactions, I am constantly exposed to new perspectives and regional characteristics, which I find particularly enriching.

■ My Next Challenge

My goal is to become a legal professional who can thrive on the global stage. I am to further explore the differences between Japan and Europe; by further exploring the differences from Japan and the unique characteristics of Europe, I aim to develop a broader global perspective. At the same time, I hope to actively take on challenges that are only possible in Europe, while also aspiring to grow into a leadership role in the future.

■ What Inspired Me to Take on the Challenge

The main catalyst was the growing opportunities to take on management responsibilities, along with encouragement from my supervisor and colleagues. In addition, because my role involves frequent interaction with overseas subsidiaries and international customers, I strongly felt the importance of being able to lead and collaborate across borders to deliver results with people from diverse cultures and values.

■ Working as a Section Leader

My focus has shifted from individual performance to achieving results as a team, and I find great fulfillment in working together to meet the needs of customers both in Japan and overseas. While it has been challenging to bring together diverse perspectives and maximize each member's strengths, I made a conscious effort to build strong relationships through one-on-one meetings. As projects progressed, trust within the team deepened, which in turn became a source of motivation for tackling future work.

■ My Next Challenge

Building on the experience gained so far, I hope to take on an overseas assignment and contribute to promoting local product development and establishing tailored processes at an overseas subsidiary. By working abroad, I aim to experience diverse cultures and values firsthand and continue growing as a global professional.

Looking ahead, I am also considering the possibility of challenging myself in a director-level role. Through hands-on experience in overseas operations, I hope to achieve both personal growth and further career development.

■ What Inspired Me to Take on the Challenge

I joined the company with the aspiration of becoming a business leader, but witnessing many younger entrepreneurs outside the company made me acutely aware of the need to accelerate my own growth. Until last year, I was based in Vietnam; drawing on the experience and knowledge accumulated, I felt confident to be able to further strengthen our Indonesian subsidiary. This led me to challenge for the position of President Director. I believe this opportunity was made possible by the trust I earned through cross-regional work in Asia, as well as a corporate culture that actively supports individuals taking on new challenges.

■ My Current Challenge and Future Goals

I am currently focused on reexamining organizational habits and culture to transform the organization into one that acts more strategically. I stay closely involved on the ground, working hands-on with teams until even small strategy-driven results can be clearly felt. I strongly believe that my experience in systematizing and modeling repeatable ways of delivering results, as well as communicating key points simply and engaging those around me, is proving valuable. As the entire organization continues to take on challenges together, I find great fulfillment in seeing customer satisfaction increase and in witnessing the growing energy and vitality spreading throughout the organization.

Looking ahead, I will continue to challenge myself to build a MODEL that can contribute globally, with the aim of positioning Indonesia as a source of best-practice MODELs for the MISUMI Group worldwide.

Growth Strategy: Human Capital

DX Talent

At MISUMI, DX is not the sole responsibility of the IT department. Instead, all employees are expected to acquire IT and AI knowledge appropriate to their roles, enabling them to solve and create business value, as well as to transform existing operations. In addition, to ensure both business contribution and the optimization of company-wide business processes, we adopt a human capital strategy that equips, visualizes, and develops the three core capabilities required for talents promoting DX across the entire organization, from a company-wide optimization perspective.

[Intellectual Capital: DX Strategy](#)



Talent Requirements

Common Requirements for All Employees

- The ability to understand customers and markets and enhance the value proposition.
- The ability to deepen understanding of digital technologies and effectively apply necessary technologies to business challenges.
- Exceptional capabilities that integrate business and technology to effectively implement and embed DX throughout the organization.

Role-Specific Requirements (IT-Related Departments)

- We define the knowledge, skills, and experience required for each professional role, including IT engineers, data scientists, and project managers.

Recruitment Activities Supporting MISUMI's Sustainable Growth

In DX-related divisions, where highly specialized IT and AI talent is critical, we pursue multifaceted recruitment strategies. These include leveraging dedicated recruiting platforms, forming partnerships with overseas universities and technical colleges, and participating in industry conferences. Beyond hiring professionals who can make an immediate impact, we also focus on developing core talent and nurturing the next generation of leaders.

DT Dynamics Corporation* has doubled its engineering workforce within two years of its establishment. In addition, our acquisition of Fictiv, a company with a strong base of AI engineers, is expected to drive further growth in our digital manufacturing capabilities.

*Group subsidiary that promotes the in-house development of meviv.



Recruitment



Development



Skill Development Process for All Employees

We provide a comprehensive range of company-wide training programs covering foundational IT and AI knowledge, data literacy enhancement, and leadership and communication skills. Through our online learning platform, M-Campus, employees have on-demand access to learning. In FY2024, approximately 4,700 employees participated in about 230 courses.

In addition, employees acquire practical skills by participating in projects based on real-world business challenges.

Balanced Evaluation of Skills and Results

We combine quantitative performance metrics with qualitative contributions to ensure a balanced evaluation of both skills and results. Emphasis is placed on contributions to business growth strategies, especially improvements in internal and external productivity through digital technologies. Going forward, we aim to strengthen talent retention and engagement by creating an environment where employees can take greater ownership of their career development.

AI Forum

To significantly enhance MISUMI's strengths by gaining insights into company-wide AI utilization, our CIO personally plans and hosts lectures and panel discussions featuring external academics with advanced expertise as well as practitioners with extensive business experience. Each session attracts several hundred employees seeking "disruptive new ideas" that go beyond conventional frameworks. The forum provides employees with opportunities to proactively consider how AI can be integrated as a partner in their own ways of working.



AI Forum

Internal Portal Site, "IT Master"

We operate "IT Master," an internal portal designed to share practical DX initiatives throughout the organization to build a collective knowledge base. The site features field-driven success stories (best practices) covering everything from everyday ICT support and effective use of Microsoft 365 to productivity improvements enabled by generative AI. By sharing actionable and widely applicable knowledge, we maximize the added value of time created through improved operational efficiency.



IT Master

Interview



Finance Platform
Finance DX Promotion Team
Transferred to MISUMI Europe in August 2025 through Go Next

Satoshi Mamoru

Introduction of DX Talent

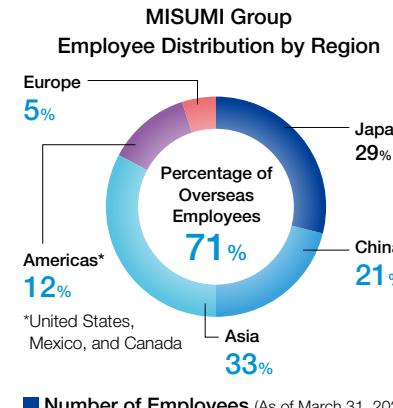
Finance DX: Building a Management Information Platform

While many companies' finance functions still rely heavily on Excel files and emails, MISUMI is driving a fundamental transformation of its finance processes. As business growth expands both the volume and complexity of data required for management decision-making, our team has built a revenue management system that provides just-in-time access to strategically organized management information. Furthermore, by actively experimenting with the latest DX capabilities and scaling successful practices across the organization, we are pioneering data process innovations that inform the next strategic moves in management. These efforts enhance the accuracy of forecasting and financial analysis while laying out the foundation for a global finance platform that supports business strategy. In an environment that fosters continuous experimentation and bold challenges, each team member contributes to company-wide transformation by creating new mechanisms and advancing DX initiatives.

Growth Strategy: Human Capital

Since FY2023, MISUMI has adopted "Best Place To Grow" as a shared global concept across the entire Group. To realize this vision, we are building talent management systems grounded in the principles of Growth Chain-reaction Aspired Management across all Japanese and overseas entities.

While advancing global infrastructure development, we have recognized the need to further embed the concept and to clarify which elements should be globally standardized versus those that should remain tailored to local characteristics such as labor markets, societal norms, and cultural contexts. For instance, Japan introduced the Practical Capability Evaluation in FY2023 to assess individual competencies. In FY2024, we began gradually harmonizing evaluation criteria across Japan, China, and Asia in areas where alignment is beneficial. By continually exploring what "MISUMI-style globalization" should entail, we will keep driving initiatives that realize the Best Place To Grow vision and enable sustainable global growth.



Corporate Officer
Americas Region
Randolph T. Yu

Interview: Pursuing MISUMI's Global Vision as The Best Place To Grow

Being the "Best Place To Grow" holds great significance as a shared global goal for current and future MISUMI employees around the world. It demonstrates our commitment to provide meaningful opportunities to employees who proactively seek out challenges that simultaneously advance MISUMI's priorities and further their professional growth and development. MISUMI USA has proudly encouraged and enabled many development and promotion opportunities that have allowed motivated employees to work in other departments. This breaks down silos and significantly increases employee retention and engagement. This is a win-win outcome between employees and the company and results in employees who have a broader and deeper understanding of MISUMI.

To further MISUMI's vision as the "Best Place To Grow," each region's leaders should understand what growth means to their employees and seek out ways to create such opportunities. In turn, employees should thoughtfully consider and pursue roles that enable them to grow and increase their contributions. By embracing "Best Place To Grow" as a global vision and adapting it to fit each region's unique culture and characteristics, we will attract, engage, and retain employees who will help achieve our aggressive business priorities.



President of
P.C.S. Company
Angela Elsey

P.C.S. Company, a Group Company, Received Top Workplaces Award* for the Third Consecutive Year

We are truly proud to have received this prestigious award for the third consecutive year. At P.C.S. Company (PCS), we have been committed to enhancing employee engagement by hosting monthly cross-functional volunteer committees to drive improvements. For example, to foster individual employee initiative and ensure employee voices are reflected, we introduced a "What's Your Idea" form on the PCS portal site, enabling anyone to easily share ideas with management. Submitted ideas are reviewed and responded to at least every two weeks. The fact that every employee has been actively involved in the process and worked together to overcome challenges is an achievement beyond measure.

Alongside celebrating these accomplishments, we have launched an ambitious five-year plan called "PCS Next." We continuously challenge ourselves with questions such as, "Will this project still work if the company doubles in size?"—ensuring we never settle for the status quo and always strive for improvement.

*An award recognizing "Great Workplaces," based on employee satisfaction surveys conducted by U.S. research firm Energage, LLC.

Diversity & Inclusion

At MISUMI, we strictly forbid any form of discrimination based on nationality, gender, age, educational background, or employment status, whether new graduates or mid-career professionals. Recruitment, promotion, and transfer decisions are made solely based on each employee's practical capabilities and performance, without regard to these attributes.

As a result, female managers represent 15% at MISUMI Japan and 24% globally—figures that are relatively high for the manufacturing industry. Furthermore, mid-career hires make up 85% of MISUMI Japan's workforce, which underscores our commitment of embracing diverse talent.

We are also dedicated to creating work environments that empower employees to take on maximum challenges while accommodating individual circumstances. For instance, MISUMI Japan has implemented unique measures such as full remote work options for employees managing childcare or caregiving responsibilities.

Driven by the belief that diversity in people and perspectives accelerates the advancement of the MISUMI MODEL, we will continue to enhance our work environment and introduce various policies and initiatives. Increasing the proportion of locally hired executives and female managers is a key priority, and we aim to raise the global ratio of female managers to 30% by FY2030.

MISUMI Global (As of March 31, 2025)

Female Employees	36%
Female Managers	24%

MISUMI Japan (As of March 31, 2025)

Female Employees	43%
Female Managers	15%
Mid-career Hires	85%
Male Paternity Leave	95%

Growth Strategy

Financial Capital

Building on the steady progress of our financial strategy, we remain committed to meeting stakeholders' expectations and driving sustainable growth in corporate value.

Review of FY2024 through to the First Quarter of FY2025

In FY2024, supported by a moderate recovery in capital investment in the manufacturing sector and the success of our proprietary initiatives, MISUMI achieved record-high consolidated net sales of JPY 401,987 million, marking a 9.3% year-over-year (YoY) increase. Operating income also reached a new high at JPY 46,480 million, up 21.2% YoY, driven by increased sales volumes, an improved product mix, and favorable FX effects. Both sales and profits achieved significant growth.

In the first quarter of FY2025, demand remained solid in certain regions, including telecommunications-related, electrical and electronic sectors in China. However, the impact of U.S. tariff policies began to gradually surface, and operating conditions softened globally in the automotive sector, one of our core customer industry. Consequently, consolidated performance for the first quarter resulted in net sales of JPY 99,368 million (down 0.2% YoY) and operating income of JPY 9,627 million (down 18.6% YoY), reflecting expenses related to the announced acquisition of Fictiv on April 17 and foreign exchange impacts.

Under these circumstances, the MISUMI Group continued to make concerted efforts to accurately capture customer demand, while initiatives for new businesses, including the development of new products and services, progressed largely as planned.

For the full fiscal year 2025, although uncertainties such as tariffs persist, we project consolidated net sales of JPY 422,000 million (up 5.0% YoY) and operating profit of JPY 42,900 million (down 7.7% YoY). These figures reflect the continued effects of our proprietary initiatives and the anticipated results of Fictiv, which was consolidated from July. By leveraging our robust Business Foundations, including IT, production, and logistics, and our global network, we will continue to steadily advance new business initiatives, including those involving Fictiv.

Basic Policy

With the aim of achieving sustainable enhancements in corporate value through Growth Chain-reaction Aspired Management, we prioritize growth-oriented investments from a medium- to long-term perspective, while ensuring an appropriate balance with shareholder returns. Specifically, by focusing on the four financial initiatives outlined below, we seek to expand our equity spread over the medium to long term.

Four Financial Initiatives

1. Enhancing the cash management system
2. Improving capital efficiency
3. Optimizing cash allocation
4. Deepening dialogue with stakeholders

In FY2025, following progress in cash management and a reassessment of required funds, including those for BCP, from approximately JPY 100 billion to JPY 70 billion, it was determined to allocate surplus cash to share repurchases after comprehensively considering factors such as share price levels. Accordingly, in July 2025, share repurchases totaling JPY 25 billion were announced. Going forward, we will continue to implement flexible and timely cash allocation while carefully evaluating conditions such as growth investment opportunities and share price levels.

Progress of Financial Initiatives

1. Enhancing the Cash Management System

■ Reduction of Required Funds

The MISUMI Group has worked to establish a solid cash management foundation to enable flexible allocation of funds for growth investments and to enhance overall capital efficiency across the Group. Specifically, we began implementing cash pooling in Japan in FY2015, followed by setting up a finance subsidiary in Singapore in FY2019 to supply operating funds globally and mitigate foreign exchange risk. In FY2021, we also introduced cash pooling in China.

Subsequently, we initiated efforts to create a global cash pooling structure that centrally consolidates funds across regions. This system has been rolled out in stages, covering Japan, the Americas, the Singapore finance subsidiary, and Europe in FY2022, followed by China in FY2025. We are currently working to expand this system to other regions in Asia.

As Group-wide liquidity improved due to advancements in cash management, we reduced the level of required funds, including those allocated for BCP, which ensures the ability to maintain operations for six months in the event of an emergency—from approximately JPY 100 billion to approximately JPY 70 billion, representing a reduction of approximately 30%.

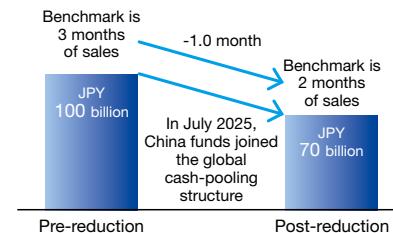
■ Inventory Optimization

Inventory management is conducted on a team-by-team basis, with excess inventory automatically calculated within our core systems and reflected in each team's profit and loss, as well as performance evaluations. Excess inventory levels are visualized at monthly management meetings, where business leaders are encouraged to take timely corrective actions. Additionally, to optimize inventory levels, we have developed an inventory ordering system based on demand forecasting that leverages the latest AI technologies. This system has been deployed in Japan and Asia, and its effectiveness—evidenced by reductions in inventory levels—is already apparent. Looking ahead, we plan to further reduce inventory-related capital by expanding deployment to other regions, including Europe and the Americas. Furthermore, our DX-driven innovation in indirect materials procurement, known as D-JIT (Digital Just-In-Time), plays a critical role in managing inventory-related capital. By connecting real-time inventory information from more than 700 suppliers as well as the Group's domestic and overseas companies, D-JIT has increased its quantity-handling capacity by a factor of 16 compared with conventional approaches. This enables us to keep in-house inventory levels prepared for large-volume orders to a minimum, contributing significantly to more efficient inventory fund management.

2. Improving Capital Efficiency

■ Strengthening Earnings Power

Following the emergence of bloc-style economic trends sparked by U.S.–China trade tensions beginning in 2018 and the spread of COVID-19, the MISUMI Group experienced a decline in profitability. In response, we implemented fundamental restructuring of our earnings model in 2020, including revisions



Growth Strategy: Financial Capital

to pricing strategies and product assortments, as well as reducing non-operating assets. These initiatives led to improvements in earnings per share and operating cash flow, while also enhancing our ability to make strategic growth investments. Key efforts included Digital MODEL Shift initiatives, such as mevy, the Economy Series, and D-JT, along with inorganic growth initiatives such as the acquisition of U.S.-based Fictiv.

We have further strengthened ongoing profit management by integrating a sophisticated revenue management system, leveraging the latest IT technologies, with activity-based costing at the individual product level; an approach we have pursued for many years. This integration enables detailed visualization of profitability at the smallest transaction unit, specifically the shipment unit for each product. Through this methodology, we can evaluate performance by organizational units and manage profitability from multiple perspectives aligned with strategic initiatives and other actions. These insights are actively applied in management's decision-making, including the reconfiguration of initiatives and the reallocation of resources.

Utilization of Financial Leverage

Advancement in our cash management system has allowed us to lower the required funds from approximately JPY 100 billion to about JPY 70 billion. To secure additional capital for future growth investments, we will continue to enhance capital efficiency while maintaining financial soundness. This may include the potential use of financial leverage, such as utilizing a committed credit line of JPY 15 billion, as part of a balanced and flexible capital strategy.

3. Optimizing Cash Allocation

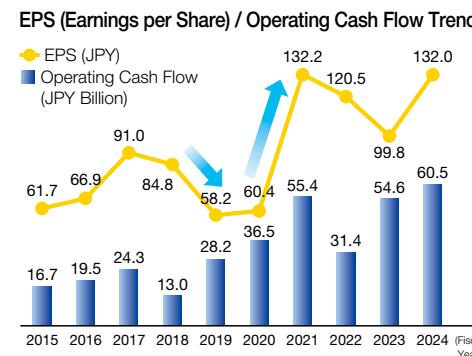
Growth Investments

We make investments aimed at driving both the linear growth of existing businesses and non-linear growth through new ventures.

For investment decisions in existing businesses such as DX promotion and production-related initiatives—we set hurdle rates based on IRR (Internal Rate of Return) and NPV (Net Present Value) as key evaluation metrics, ensuring timely and appropriate investment decisions to allocate resources to high-impact initiatives. Furthermore, after investment, we conduct periodic effectiveness reviews that consider market alignment, striving to maximize investment returns.

To achieve non-linear growth, we are actively reviewing our business portfolio and pursuing alliances and M&A to incorporate external growth drivers. For M&A opportunities, a specialized task force drawn from expert teams and business units conducts comprehensive evaluations, combining quantitative and qualitative analyses. Factors considered include expected investment returns, alignment with growth strategies, synergy potential, feasibility of business plans, and management compatibility. This rigorous process ensures that we thoroughly examine the purpose and economic rationale of each investment before proceeding.

In 2025, to strengthen our Americas business and broaden our business domains, we acquired Fictiv, a U.S.-based leader in digital manufacturing and product development. By leveraging MISUMI's

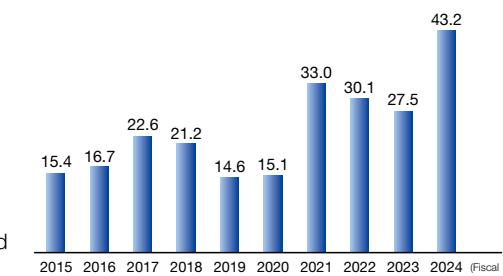


resources to enhance operational efficiency and accelerate growth through cross-selling, we will support Fictiv's ongoing momentum. Over the medium term, we aim to maximize synergies by fully integrating the MISUMI and Fictiv Business MODELS, thereby accelerating business growth and expanding our addressable market in North America.

Shareholder Returns

Regarding dividends, our previous policy set a target payout ratio of approximately 30% as a guideline. Taking into consideration factors such as strengthening our Management Foundation, enhancing our financial position, and improving capital efficiency, we revised this policy starting at FY2024 year-end, raising the target payout ratio to approximately 35%. We conduct share buy-backs flexibly in response to factors such as available cash, growth investment opportunities, and stock market trends. Considering changes in required funds following advances in cash management and current share price levels, we announced a share repurchase program totaling JPY 25 billion in July 2025.

DPS (Dividends per Share) Trends (JPY)



4. Deepening Dialogue with Stakeholders

The MISUMI Group believes that constructive dialogue with stakeholders is essential for achieving sustainable growth and enhancing corporate value. In FY2024, we conducted 526 engagements with institutional investors and resumed information sharing sessions for overseas investors, which had been suspended due to the COVID-19 pandemic. These efforts actively created opportunities to deepen the understanding of our business. Additionally, we disclose earnings presentation materials, presentation videos, and summaries of Q&A sessions on our corporate site. We have also resolved to voluntarily adopt IFRS standards from the fourth quarter of the fiscal year ending March 2028. Through these initiatives, we strive to ensure fair and equitable information disclosure to all stakeholders. By advancing these efforts, we continue to deepen dialogue while sincerely incorporating stakeholder perspectives into management, always keeping in mind the optimal balance among capital efficiency, growth investments, and shareholder returns.

Message to the Capital Markets

For the MISUMI Group, which operates globally, the ability to accurately recognize and adapt to rapidly changing external environments is becoming increasingly important. In this context, dialogue with capital markets goes beyond simple information disclosure; it is a critical process for the market to deeply understand our management policies and financial strategies, as well as for incorporating market expectations and challenges in our management decisions.

Looking ahead, we will continue to treat the review and enhancement of capital efficiency indicators as a key management priority. Alongside our efforts to increase transparency in financial disclosures, we will refine our capital policies and growth strategies by integrating feedback from the capital markets into our management systems. Through this two-way dialogue, we aim to deepen trust with capital markets and achieve sustainable long-term value creation.

Growth Strategy Natural Capital

MISUMI Group is committed to achieving carbon neutrality by 2050 through initiatives to reduce greenhouse gas (GHG) emissions, including the introduction of solar power generation and the use of carbon-free electricity as part of our climate change mitigation efforts. In addition, through initiatives focused on resource circulation and the prevention of environmental pollution, we contribute to building a sustainable society.

Climate Change

Approach to Climate Change Initiatives

MISUMI Group announced its support for the TCFD recommendations in September 2021. In that same month, the Company announced its participation in the TCFD Consortium of companies that support these recommendations. MISUMI then began formulating strategies for climate change initiatives focusing on manufacturing operations, that have a significant environmental impact. These initiatives include conducting scenario analyses based on projected temperature rise of 1.5°C/2°C and 4°C, identifying transition and physical risks as well as opportunities, and evaluating potential business impacts under each scenario.

After receiving approval by the Board of Directors in March 2022, MISUMI established risk management processes to identify, assess, and mitigate climate-related risks; quantified its assessment of risks and opportunities; and established a framework for monitoring progress. In line with these efforts, MISUMI has disclosed information in accordance with the TCFD recommendations as part of its management policy.

Going forward, MISUMI will enhance climate-related disclosures in line with the TCFD framework and continue to advance initiatives to mitigate global warming through its business activities, thereby contributing to a sustainable society.

[Climate Change Initiatives \(TCFD-aligned, GHG Emissions\)](#)

GHG Emissions Reduction Targets

The Group has set the following targets for reducing GHG emissions. These targets are aligned with the reduction pathways required to meet the 1.5°C target*² under the Science Based Targets initiative (SBTi)*¹.

Targets

Group-wide GHG emissions from business activities

(Scope 1 and 2)

By FY2030	42% reduction compared to FY2020
By Year 2050	Carbon Neutrality

*1 The SBTi is an initiative that encourages companies to set GHG reduction targets in alignment with the standards set forth in the Paris Agreement, adopted at COP21 in 2015.

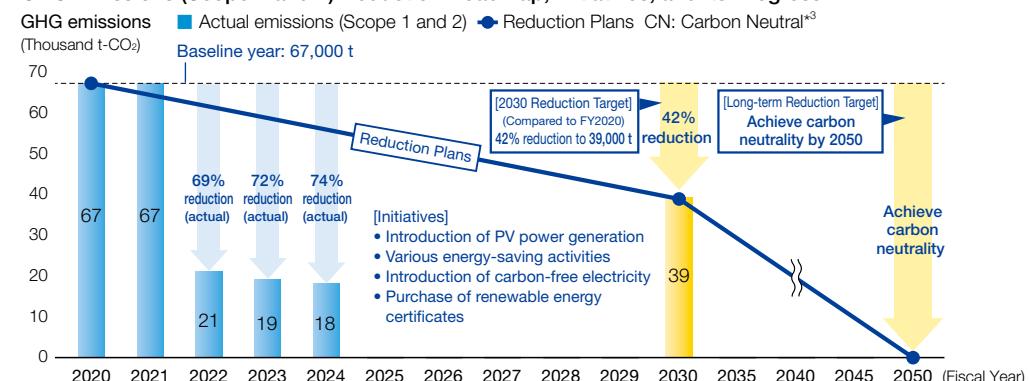
*2 This target, as defined by the Paris Agreement, aims to limit the increase in average global temperature to 1.5°C above pre-industrial levels.

GHG Emissions Reduction Plan and its Progress

To achieve the aforementioned GHG emissions reduction targets for Scope 1 and Scope 2, the MISUMI Group has formulated a reduction plan based on the roadmap outlined below.

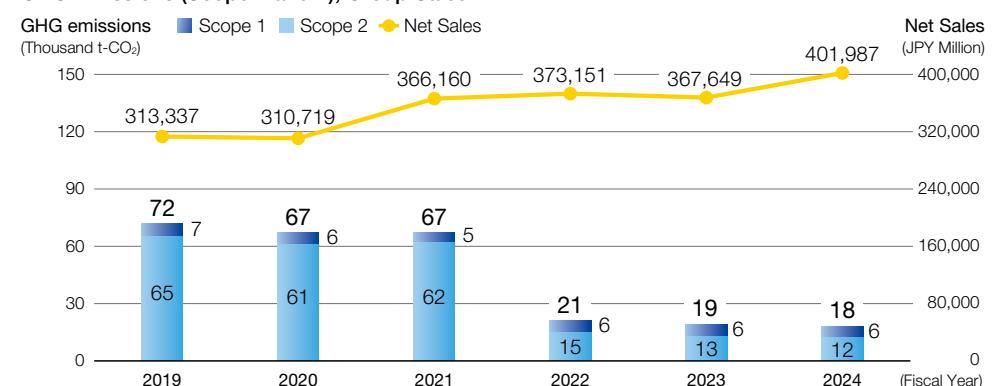
Regarding progress under this plan, we have achieved substantial reductions since FY2022 and remain on track to meet our targets. In FY2024, total GHG emissions for the Group amounted to 18 thousand tons of CO₂, marking a reduction of 49 thousand tons, or 74% compared to FY2020 levels. Despite record-high Group sales in FY2024, we sustained the reduced emissions level achieved since FY2022, demonstrating the decoupling of business growth from GHG emissions.

GHG Emissions (Scope 1 and 2) Reduction Roadmap, Initiatives, and its Progress



*3 Emissions are calculated using coefficients published by Japan's Ministry of the Environment, the Ministry of Economy, Trade and Industry, and the International Energy Agency (IEA) for FY2023.

GHG Emissions (Scope 1 and 2), Group Sales



Growth Strategy: Natural Capital

■ Initiatives to Reduce GHG Emissions

The MISUMI Group has achieved substantial reductions in GHG emissions since FY2022. Specific initiatives include implementing solar power generation, promoting a range of energy-saving activities, the use of carbon-free electricity^{*1}, and purchasing renewable energy certificates (I-REC, GEC^{*2}). Regarding Scope 3 emissions, over 85% of total emissions are classified under Category 1 (Purchased goods and services). Since FY2022, we have been advancing data collection for this category in cooperation with major domestic suppliers, thereby supporting the reduction of Scope 3 emissions throughout the value chain.

Amount of PV Power Generated

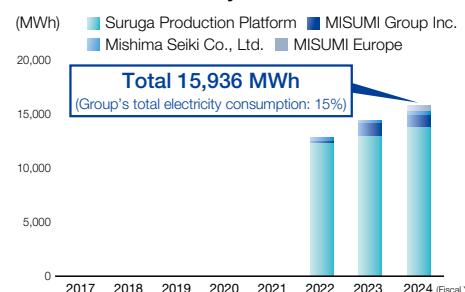


Photovoltaic power generation systems were introduced under the onsite PPA model in Vietnam, China, India, and Portugal by FY2024. As a result, total PV power generation reached 6,172 MWh in FY2024, accounting for a 5.6% of the Group's total electricity consumption.

In FY2025, we plan to introduce similar onsite PPA arrangements in Japan and a self-owned solar power model in the United States.

An onsite PPA (Power Purchase Agreement) is a contractual arrangement whereby a third-party construct, owns, operates, and maintains power generation facilities on the Company's premises, and the Company purchases the electricity generated.

Carbon-free Electricity Introduced



Carbon-free electricity has been introduced at production sites in Japan, the Head Office building, and selected overseas locations. These Japanese sites include the Suruga Production Platform Shimizu Factory, Ami Factory, Kansai Factory, and Mishima Seiki, while the overseas site is MISUMI Europe in Germany.

Resource Circulation and Prevention of Environmental Pollution

Resource Circulation

Through its Business MODEL centered on providing Time Value and eliminating all forms of waste for customers and suppliers, the MISUMI Group contributes to resource and energy conservation across society and supports the acceleration of the transition to a circular economy. In addition, we actively promote initiatives to reduce waste and optimize the use of resources.

● Initiatives for Resource Conservation

The Suruga Production Platform, which serves as the core of the Group's manufacturing functions, has established global environmental targets and is advancing initiatives to achieve them. Waste is appropriately sorted, and since FY2022 the recycling rate has been maintained at over 90%, meeting the established targets. To reduce defect-related losses generated during manufacturing processes, we are also working to improve production processes, introduce new equipment, and ensure proper maintenance of facilities.

For example, in the mevy business, waterjet cutting technology is employed to minimize cutting width and maximize part extraction from metal sheets. This significantly reduces the generation of scrap material. Any scrap generated is systematically recycled in collaboration with material manufacturers, thereby substantially reducing material waste.

[Suruga Production Platform Environmental Report 2024](#)



waterjet machining with mevy

Prevention of Environmental Pollution

The MISUMI Group recognizes the prevention and reduction of environmental pollution as an important responsibility in its globally deployed business activities. We ensure thorough compliance with applicable laws and regulations at each site, while also promoting voluntary management and continuous improvement.

In recent years, standards for managing environmentally hazardous substances have become increasingly stringent and are now an important factor in customers' product selection decisions. In response, the Group conducts investigations based on major regulations such as RoHS, REACH, and TSCA^{*3}, and provides customers with appropriate disclosure of results.

*3 TSCA (Toxic Substances Control Act): U.S. legislation regulating hazardous substances

*1 Carbon-free electricity refers to electricity that incorporates the environmental value of renewable energy sources that emit no CO₂ during power generation is recognized as having zero CO₂ emissions during use.

*2 Green Electricity Certificates (GEC) are environmental certificates issued based on electricity generated using renewable energy and operated under a scheme administered by the Chinese government.



Growth Strategy

Social and Relationship Capital

The MISUMI Group positions the establishment of a resilient and sustainable supply chain as one of its most important management priorities. We promote procurement activities that take environmental and human rights considerations into account, while engaging in ongoing dialogue with stakeholders. Through our business activities, we aim to co-create social value and contribute to the development of a sustainable society.

Supply Chain Management

In a rapidly changing global market, the MISUMI Group is undertaking the following initiatives to build a resilient and sustainable supply chain.

■ Promotion of Sustainable Procurement

The Group has established and implemented Sustainable Procurement Guidelines, through which we promote respect for human rights, occupational safety and health, and the establishment of appropriate management systems throughout the supply chain. We encourage key suppliers to agree to these guidelines and conduct regular assessments to confirm actual conditions.

In addition, in the area of environmental initiatives, we are strengthening collaborative efforts with suppliers by sharing energy usage data and cooperating in the calculation of GHG emissions to support emissions reduction. By expanding these activities, we aim to strengthen sustainable procurement practices across the entire supply chain. Looking ahead, we will continue to take a supply chain-wide perspective, quantitatively assess risks and opportunities, and develop and execute effective countermeasures.

■ Partnership Building Declaration and Commitment to Fair Trade

With the aim of building new partnerships through collaboration, coexistence, and mutual prosperity with our business partners and value-creating enterprises across the supply chain, the Company announced its "Partnership Building Declaration" in August 2025, clearly articulating its approach.

Based on this declaration, we will comply with relevant laws and regulations, including the Subcontract Act, revised version effective January 1, 2026, under the Act on the Proper Treatment of Small and Medium Enterprise Transactions, as well as applicable promotion standards. Through the thorough implementation of fair and transparent transaction practices, we will contribute to the sound development of the supply chain.

■ Contribution to Supply Chain Resilience

In recent years, supply chains in the Monozukuri industry have faced growing instability on a global scale due to factors such as succession issues among manufacturers, increasing geopolitical risks, and the rapid evolution of IT technologies. As a result, strengthening supply chain resilience has emerged as a critical priority.

To address this challenge, the MISUMI Group leverages its strengths in IT and AI to drive innovation in its Business MODEL, supporting both greater efficiency and resilience across supply chains. This initiative is recognized as one of the Group's material issues. We recognize it as an important mission to overcome these challenges through a robust business model and continue to contribute to the sustainable development of manufacturing industries.

Green Procurement

In today's world, where global environmental challenges are becoming increasingly pressing, the MISUMI Group clearly recognizes its responsibility as a company indispensable to achieving a sustainable society. We position environmental conservation as one of our most important management priorities and have established and implemented robust environmental policies and environmental management systems.

To give concrete form to this commitment, we have formulated the Green Procurement Guidelines. In accordance with these guidelines, and with the cooperation of our suppliers, we promote green procurement by working to eliminate the use of environmentally hazardous substances in products and other materials, thereby aiming to support the transition to a circular economy.

In addition, to respond to the diverse environmental requirements of our customers, we continue to expand our green procurement initiatives and offer a wide range of products with reduced environmental impact, including finished products, semi-finished products, components, raw materials, auxiliary materials, and packaging and packing materials.

Through these efforts, the MISUMI Group seeks not only to reduce environmental impact, but also to maximize environmental performance across the entire supply chain and create new values that support sustainable growth. This strategic initiative enhances the resilience of the Group's business as a whole and contributes to the long-term enhancement of corporate value.

[MISUMI Green Procurement Guidelines](#) [Suruga Production Platform Green Procurement Guidelines](#)

Responsible Mineral Procurement

The MISUMI Group places great importance on respect for human rights and social responsibility throughout its supply chain and positions its response to the issue of conflict minerals as a key management priority. To avoid the use of minerals—such as tin, tantalum, tungsten, gold, and cobalt—that may finance conflict in the Democratic Republic of the Congo (DRC) and its adjoining countries, we have established the MISUMI Group Responsible Mineral Sourcing Policy.

This initiative, which is aligned with the OECD Due Diligence Guidance for Responsible Supply Chains, demonstrates our strong commitment to the realization of a sustainable society. Through responsible sourcing practices, we strive to prevent human rights violations and enhance transparency across our supply chain.

[Initiatives in Procurement of Products / Parts](#)

■ Initiatives for Responsible Mineral Procurement

To avoid the use of mineral resources that are deeply associated with human rights abuses or environmental destruction, the MISUMI Group continuously investigates the presence of conflict minerals throughout its entire supply chain. Upon request, we provide customers with the results of these investigations. If the use of conflict minerals is identified, we request that the relevant suppliers implement corrective actions to ensure responsible sourcing, thereby promoting improvement throughout the supply chain.

Growth Strategy: Social and Relationship Capital

Supplier Questionnaire Survey Results

Within the MISUMI Group, suppliers particularly those providing MISUMI brand products prioritized for questionnaire surveys are primarily identified based on purchase amounts. This determination, however, is made through a comprehensive assessment that also considers factors such as supplier substitutability and overall supply chain impact, rather than relying solely on procurement value.

1. Questionnaire Survey on Sustainable Procurement

We informed suppliers in Japan subject to the survey* of the Sustainable Procurement Guidelines established in 2022 (hereinafter, the "Guidelines") and conducted a questionnaire survey to confirm their compliance status.

- **Agreements submitted in response to the Guidelines: 869 companies**
(Representing 97% of total procurement value among 960 target suppliers)
- **Number of questionnaire responses: 458 companies**
(Representing 95% of total procurement value among 602 target suppliers)

* Survey period: December 2022 to April 2023

2. ESG Surveys and Due Diligence

We conduct surveys covering ESG-related matters and perform due diligence based on the responses received. Due diligence includes not only compliance-related interviews but also evaluations of suppliers' business continuity plans (BCP) and the robustness of their management systems.

Fiscal Year	Survey and Due Diligence Records and Activities
2023	We conducted compliance surveys targeting major suppliers accounting for the top 50% of procurement value for MISUMI brand products in Japan. Minor issues were identified at certain suppliers; however, all required corrective actions were requested and completed.
2024	Continuing from the previous year, we conducted compliance surveys targeting major suppliers representing the 51%–70% range of procurement value for MISUMI brand products in Japan. Minor issues were identified at some suppliers, and all necessary corrective actions were completed. Additionally, MISUMI Europa GmbH, a Group subsidiary in Germany, conducted supplier surveys on key items related to Germany's Supply Chain Due Diligence Act.
2025-	We are promoting activities based on the Guidelines, with a focus on achieving the following two initiatives by FY2028: <ul style="list-style-type: none"> • Obtaining agreement to the Guidelines from all major suppliers and continuing questionnaire surveys • Providing internal training for employees engaged in procurement activities on human rights, labor, and environmental issues

3. Performance

In FY2023, we received questionnaire responses from 458 suppliers, with 64% rated B rank (Good) or above.



4. Looking Ahead

Going forward, we will further strengthen collaboration with both Japanese and overseas Group companies to improve the overall compliance with the Guidelines across the MISUMI Group. In particular, as part of our global expansion, we will promote the rollout of the Guidelines and conduct surveys at overseas Group companies, while prioritizing suppliers representing the top 70% of global procurement value.

[MISUMI Group Sustainable Procurement Guidelines](#)

Dialogue and Co-creation with Stakeholders

The MISUMI Group engages in ongoing dialogue with stakeholders and strives to co-create social value through its business activities, thereby contributing to the development of a sustainable society.

• Dialogue with Shareholders and Investors

We actively engage in dialogue with institutional investors to build long-term partnerships. In FY2024, senior management and relevant departments held 526 dialogue sessions with shareholders and investors.

• Dialogue with Suppliers

We provide explanations and conduct interviews with suppliers regarding human rights and safety initiatives as well as efforts to reduce GHG emissions. We also request compliance with related requirements and the provision of relevant data.

• Dialogue with Employees

We promote initiatives to foster mutual understanding between the Company and its employees. For example, we hold Management Forums where top management engages directly with employees. These forums share progress on management issues and key strategies, encouraging shared awareness, mutual understanding, and cross-organizational collaboration through Q&A and discussions.

• Example themes: Sharing and discussion of financial results, growth strategies, and key actions

We also conduct regular surveys to collect employee feedback on engagement and opinions regarding systems and initiatives, enabling continuous identification of current conditions and issues.

• Example surveys: Satisfaction survey for the Next Challenge Program, survey on motivation and perceived growth

• Dialogue with Regional Communities

We engage in activities that promote the appeal of Monozukuri, including support for students who will shape the next generation. Through these initiatives, we contribute to the revitalization of regional communities.

FY2024 Results

Target Groups	Main Activities	Events held and Timing
Analysts and Institutional Investors	Individual meetings with analysts and institutional investors	526 sessions
	of which, Group meetings	21 sessions
	of which, ESG/ Engagement meetings	8 sessions
	IR meetings with overseas institutional investors	20 sessions
	Conferences hosted by securities firms	21 events
Suppliers (Product Suppliers)	Financial results briefings	4 sessions
	Briefings on sustainability initiatives	1 session
	Briefings on sustainable procurement	1 session
Employees	Briefing on GHG reduction	4 sessions
	Management Forum	June (Company-wide) + As-needed-basis by each organization
	Feedback surveys on engagement, systems, and initiatives	Total of 4 times by theme
Regional Communities	Sponsoring of the Biped Robot Battle Tournament	September
	Various initiatives to support students taking on Monozukuri challenges	110 cases

Management Foundation

Directors' Roundtable Discussion: Reflecting on MISUMI's Challenges and the Governance Structures that Enable Sustainable Growth Following the Acquisition of Fictiv



In April 2025, the MISUMI Group reached a significant management decision to acquire Fictiv in the United States. Throughout the period leading to this resolution, the Board of Directors, including Outside Directors, engaged in comprehensive discussions, considering a range of viewpoints. With respect to MISUMI's objective of enhancing medium to long-term corporate value, Outside Director Tomoharu Suseki and Keiko Yano joined Chairman Kosuke Nishimoto to review the effectiveness of corporate governance during the process and to discuss Directors' perspectives on the potential challenges associated with future Group growth.

Improving Decision-Making Effectiveness Through In-depth Deliberation

Nishimoto: When a company pursues a new avenue for growth, management often must make major decisions that involve considerable risk. M&A, which brings external strengths to enhance scale and speed, is one example. Naturally, reckless risk taking must be avoided, and I believe that the essence of corporate governance in management lies in ensuring that both the accelerator and the brake function appropriately. While the executive team took an assertive stance during Fictiv's recent acquisition, I received a variety of nuanced opinions from both of you regarding its validity.

Suseki: As an Outside Director, I felt that we dedicated considerable time to reaching a decision and were able to engage in substantive discussions. Information was shared even when the matter was still under consideration at the working level, and all Directors exchanged honest opinions. After deliberations moved to the Board

of Directors, materials were updated after each meeting, and questions and comments were reliably reflected in the subsequent review. I believe this process was both sound and appropriate.

Yano: Having open exchanges of opinions before entering formal Board of Directors Meeting deliberation was extremely meaningful. We were able to carefully consider "why this decision is necessary now," while linking it to the overall management picture, including capital policy and business plans. I believe we had high-quality discussions that examined management objectives and risk-return from multiple perspectives.

Nishimoto: The executive side has been engaging in dialogue with Fictiv's co-founders David Evans and Nathan Evans for over two years. In cross border M&A, there is always a risk of being drawn into a commercial pursuit aimed at short-term gains. On this occasion, it was evident that they demonstrated a strong enthusiasm for the business, a sincere commitment to their new

venture, and a clear intention to select MISUMI as their preferred partner. That was central to our management decision.

Yano: Meeting both individuals in person gave us, as Outside Directors, valuable insight. Experiencing the founder's sincerity directly strengthened our confidence beyond what online interactions could offer.

The Growth Strategy Embodied in the Fictiv Acquisition

Nishimoto: There are several objectives behind the acquisition of Fictiv, one of which is to accelerate new business development. We have been developing the online processing business domain through the mevy business, and by partnering with Fictiv, we can significantly accelerate this progress. Furthermore, Fictiv has strong capabilities in product development, which aligns with our strategy to expand beyond the equipment manufacturing sector that MISUMI has focused on thus far. In addition, Fictiv's AI-powered Monozukuri expertise will be essential for future global competitiveness. Each of these points represents an important management goal for our Company, leading us to make the major decision of investing approximately JPY50 billion.

Suseki: Expanding our business domain to include product development is extremely important for MISUMI's further growth. With Fictiv, which has strong capabilities in precisely this area, and by joining our Group, I have high expectations that MISUMI's overall growth speed will accelerate even more.

Yano: I believe the essence of this acquisition lies in "buying time and resources." MISUMI has been working on digital transformation (DX) from an early stage, but with the acquisition of Fictiv, we have suddenly gained a competitive advantage in AI, which will be at the core of competition in the DX domain going forward. The key issue



Management Foundation: Directors' Roundtable Discussion

now is how effectively we can leverage the time and resources we have acquired, and whether we can secure a favorable position ahead of our competitors.

Suseki: Fictiv is recognized for its advanced expertise in AI utilization. Through the acquisition of Fictiv, we have established a foothold in the AI sector, particularly with respect to talent and resources in the U.S. and Silicon Valley, both of which are global leaders in this domain. The decision to establish MISUMI's AI development base at Fictiv is appropriate and should serve as a catalyst to accelerate the Group's competitive advantage.

Nishimoto: The acquisition of top AI talent, including the two founders, was only made possible by bringing Fictiv into our Group. As you pointed out, this acquisition must serve as the trigger to accelerate MISUMI's overall growth speed. I would also like to add that, during the decision-making process, not only the Board members but all Corporate Officers shared a strong determination to use this opportunity as a turning point to "transform MISUMI into a new company."

Respecting Each Other and Sharing a Future of Growth

Nishimoto: The post-merger integration (PMI) is progressing in two phases. In Phase 1, the focus is on accelerating Fictiv's own growth by leveraging MISUMI's management resources, such as its customer base and manufacturing infrastructure. Then in Phase 2, by integrating the business models of both companies, we will drive process innovation across the entire product development domain and rapidly accelerate our business growth by establishing MISUMI as a new "Industrial Foundation." In other words, our growth strategy narrative is to take on major industry-wide challenges that neither company could accomplish alone.



Suseki: The merger of two companies with distinct corporate cultures provides a great stimulus for both sides. What is important is not to force one's culture on the other, but to approach it with an attitude of mutual understanding and respect for each other's differences. At the same time, it is crucial not to simply be swayed by the other party's way of doing things, but to openly communicate expectations and requests, confirm actions, and maintain a balanced approach.

Nishimoto: I believe that is precisely the most important aspect of PMI. The key is whether we can build a relationship in which we truly understand each other as equal partners, sometimes overcoming friction, with the aim of coming together "to share in our growth."

Yano: Even when systems or structures are acquired, true value is only realized when people take initiative and act. By inviting Fictiv's key people to Japan and creating opportunities to work together, we can establish personalized relationships. I also think it would be effective for MISUMI's management team to visit local sites and hold skip level meetings, where they directly hear the voices of manager-level staff.

Suseki: To prevent the outflow of talent after acquisition, it is necessary to frequently communicate information such as "This is what MISUMI is currently thinking." By directly conveying MISUMI's perspectives through town hall meetings and other means, reassurance can be provided to Fictiv employees. In addition, it is extremely important to establish systems such as compensation and long-term incentives and clearly present the returns.

Yano: In order to be a Company that attracts outstanding talent, it's essential to offer a wide range of career paths. By presenting new businesses and projects that make one feel, "I can grow even more here," and creating an exciting environment, I think that's the best retention plan possible.

Navigating Global Challenges as "One MISUMI" in a Rapidly Evolving Environment

Yano: MISUMI has achieved growth by integrating MP&L (Material Planning and Logistics), on-site Monozukuri capabilities, and Digital Transformation at a high level. This trinity of strengths is unparalleled globally, and I believe that collaboration with Fictiv will further enhance this advantage.

Suseki: Not just limited to this acquisition, MISUMI's management is characterized by thorough discussions and steadily advancing initiatives. However, due to many years of successful experience, there is a tendency for the organizational culture to lean towards monoculture. In this respect, the acquisition of Fictiv and ongoing



organizational reforms are highly significant. The addition of different cultures and talent presents a valuable opportunity to evolve into an organization that leverages diversity.

Nishimoto: That's exactly right. At MISUMI, we have been working on renewing our IT Infrastructure since FY2021, and by combining cutting-edge IT foundations with the resources that Fictiv has cultivated, I believe we have established a world-class DX structure. I am also expecting the next generation of management to take on this challenge of innovating our Business MODEL.

Suseki: From the perspective of succession planning, we need leaders who can respond to the ever-accelerating pace of change in the business, make bold management decisions with a global, overarching perspective on the industry, and drive organizations swiftly. These are the qualities required for the next generation of executives.

Yano: Going forward, the ability to set priorities and simplify matters will also be crucial. To increase speed, it is essential to identify what is truly important and have the decisiveness to eliminate everything else. In addition, leading the organization effectively will require accurately collecting feedback from those on-site and on the ground. Ultimately, it's crucial to possess the personal qualities that inspire others to think, "I want to give my best for this person."

Nishimoto: In terms of the global perspectives that you both mentioned, we also need to move away from the idea of always centering our business in Japan. From now on, I don't believe there's a necessity to keep our Head Office functions only in Japan. The challenge for MISUMI as a true global company is for MISUMI employees worldwide to leverage all available MISUMI resources and drive the greatest possible growth in every region across the globe.

Management Foundation

Corporate Governance

Members of the Management Team

Directors

**Kosuke Nishimoto**

Representative Director and Chairman

Apr 1981 Joined Kanebo, Ltd.
 Sep 1984 Joined Meitec Corporation
 (currently Meitec Group Holdings Inc.)
 Jun 1995 Director, Meitec Corporation
 Jul 1996 Senior Managing Director, Meitec Corporation
 Nov 1999 Representative Director and President, Meitec Corporation
 Apr 2003 Representative Director and President, and Group CEO, Meitec Corporation
 Apr 2014 Director and Chairman, Meitec Corporation
 Jun 2015 Outside Director, Interworks Inc.
 (currently Interworks Confidence Inc.)
 Apr 2017 Representative Director, Chairman and President, Interworks, Inc.
 Jun 2017 Outside Director, MISUMI Group Inc.
 Jun 2019 Director and Executive Vice President, MISUMI Group Inc.
 Feb 2020 Representative Director and Chairman, MISUMI Group Inc. (incumbent)
 Oct 2025 Representative of Human Resources & Legal Platform (incumbent)

**Ryusei Ono**

Representative Director and President

Apr 1987 Joined MISUMI Group Inc.
 Apr 2002 Corporate Officer, MISUMI Group Inc.
 Jun 2007 Director and Corporate Officer, MISUMI Group Inc.
 Oct 2008 Representative Director and President, SURUGA Production Platform Co., Ltd.
 Oct 2008 Director and Senior Corporate Officer, MISUMI Group Inc.
 Jan 2011 Representative Director and President, SURUGA SEIKI Co., Ltd.
 Jan 2013 Senior Executive Director, MISUMI Group Inc.
 Dec 2013 Representative Director and President, MISUMI Group Inc.
 Dec 2013 Representative Director and President, MISUMI Corporation (incumbent)
 Jun 2014 Representative Director, President, and CEO, MISUMI Group Inc.
 Feb 2020 Representative Director and President, MISUMI Group Inc. (incumbent)

**Arata Shimizu**

Director

Apr 1997 Joined Accenture Japan Ltd.
 Sep 2005 Executive Partner, Accenture Japan Ltd.
 Jul 2015 Executive Officer, General Manager of Strategic Consulting Headquarters, Accenture Japan Ltd.
 Mar 2017 Representative Director, Vice President, and COO, SEAOS Inc.
 Jun 2017 Outside Director, Interworks Inc.
 (currently Interworks Confidence Inc.)
 Sep 2017 Outside Director, Trust Tech Inc.
 (currently Open Up Group Inc.)
 Jun 2020 Outside Director, MISUMI Group Inc.
 Jun 2021 Director, P&E Directions, Inc.
 Jun 2024 Senior Executive Director and CIO, MISUMI Group Inc.
 Oct 2025 Director, Senior Executive Corporate Officer, CIO, and Representative of NEWTON Global Development Center

**Tomoki Kanatani**

Director

Apr 1991 Joined Kankaku Securities Co., Ltd.
 Apr 1992 Joined Sadoshima Corporation
 Jun 2000 Joined MISUMI Group Inc.
 Dec 2015 President, China Business Company, MISUMI Corporation
 Jul 2020 Senior Corporate Officer, MISUMI Group Inc.
 Oct 2020 Chief Executive in charge of China and Asia Business, MISUMI Corporation
 Jun 2021 Executive Director, MISUMI Group Inc.
 Oct 2025 Director and Senior Executive Corporate Officer, MISUMI Group Inc. (incumbent)

**Shigetaka Shimizu**

Director

Apr 1995 Joined Okura & Co., Ltd.
 Apr 1999 Joined MISUMI Group Inc.
 Dec 2015 President, Asia Business Company, MISUMI Corporation
 Jul 2020 Senior Corporate Officer, MISUMI Group Inc.
 Oct 2020 President, IM Business Company, MISUMI Corporation
 Jun 2021 Executive Director, MISUMI Group Inc.
 Apr 2022 President, Japan Business Company, MISUMI Corporation
 Oct 2025 Director and Senior Executive Corporate Officer, MISUMI Group Inc. (incumbent)

**Shaochun Xu**

Director

Sep 1988 Joined the Finance Division, Shanghai Municipal Bureau of Commerce, China
 Sep 1996 Chief of China Investment Department, ITOCHU (China) Holding Co., Ltd.
 Aug 1998 General Manager of the Finance Department, Panasonic Electric Works China Co., Ltd.
 May 2012 Joined MISUMI (China) Precision Machinery Trading Co., Ltd.
 Apr 2017 Corporate Officer, China Business Company, MISUMI Corporation
 Apr 2017 General Manager, MISUMI (China) Precision Machinery Trading Co., Ltd.
 Oct 2021 Chairperson, MISUMI (China) Precision Machinery Trading Co., Ltd. (incumbent)
 Jun 2022 Director, MISUMI Group Inc.
 Jun 2025 Executive Director, MISUMI Group Inc.
 Oct 2025 Director, Senior Corporate Officer, Representative of Asia and China Region (incumbent)

Management Foundation: Corporate Governance**Directors****Yoichi Nakano**

Lead Outside Director

May 1990 Joined Investment Division, International Finance Corporation, World Bank Group
 Jun 1996 Joined McKinsey & Company Incorporated, Japan
 Jun 2003 Executive Search Consultant, Jomon Associates Inc.
 Aug 2011 Partner, Leadership Consulting, Heidrick & Struggles Japan, GK
 Jan 2013 Partner, Executive Search, Heidrick & Struggles Japan, GK
 Feb 2016 Representative Director and President, Chuuuyou Corporation (incumbent)
 Jun 2019 Outside Director, MISUMI Group Inc.
 Jun 2024 Lead Outside Director and Chairman of Nomination and Remuneration Committee, MISUMI Group Inc. (incumbent)

**Tomoharu Suseki**

Outside Director

Apr 1979 Joined Sumitomo Electric Industries, Ltd.
 Jan 1997 Director, Raychem Corporation
 Nov 2001 Representative Director, Tyco Electronics Raychem K.K.
 Apr 2003 Executive Officer, D&M Holdings, Inc.
 Nov 2004 Representative Director, President and CEO, OCC Corporation
 Mar 2007 Executive Officer and COO, Sumida Corporation
 Sep 2010 Representative Executive Officer and President, Sumida Corporation
 Mar 2020 Director and Chairman of the Risk Management Committee, Sumida Corporation
 Mar 2021 Member of the Nomination Committee and the Remuneration Committee, Sumida Corporation
 Jun 2021 Outside Director, MISUMI Group Inc. (incumbent)

**Keiko Yano**

Outside Director

Apr 1981 Joined Toyo Kogyo Co., Ltd. (currently Mazda Motor Corporation)
 Jan 1988 Joined Ford Motor Company of Japan Limited
 Jul 2000 Senior Managing Director and General Manager of Corporate Planning, Japan Climate Systems Corporation, Secondment
 Nov 2005 Sales Director, Visteon Japan
 Dec 2011 Senior Managing Director and General Manager of Corporate Planning, Japan Climate Systems Corporation, Secondment
 Sep 2012 Mazda General Manager, Johnson Controls Inc.
 Jul 2014 Sales Director, Visteon Corporation
 Oct 2020 Vice President, Visteon Corporation
 Oct 2020 Representative Director, Visteon Japan Ltd.
 Jun 2024 Outside Director, MISUMI Group Inc. (incumbent)

**Figen Ulgen**

Outside Director

Sep 1991 Joined JustSystems Corporation
 Sep 1999 Joined McKinsey & Company, Inc. (U.S.)
 Apr 2002: Director, Microsoft Corporation (U.S.)
 Dec 2012 Senior Director, Microsoft Corporation (U.S.)
 Nov 2014 General Manager, Intel Corporation (U.S.)
 Mar 2019 Head of Data & Analytics, Woolworths New Zealand Limited
 Feb 2021 Chief Customer Officer, Z Energy Limited (N.Z.)
 Aug 2022 Chief Data Officer, LINE Corporation (currently Z Intermediate Global Corporation)
 Apr 2024 Chief Data and AI Officer, Dai-ichi Life Holdings, Inc.
 Apr 2025 Executive Officer as Group Chief Data and AI Officer, Dai-ichi Life Holdings, Inc. (incumbent)
 Jun 2025 Outside Director, MISUMI Group Inc. (incumbent)

Management Foundation: Corporate Governance**Audit & Supervisory Board Members****Ichiro Otokozawa**

Full-time Audit & Supervisory Board Member

Apr 1979 Joined Nippon Kokan Corporation (currently JFE Engineering Corporation)
 Mar 1997 General Manager of President's Office, Santen Pharmaceutical Co., Ltd.
 Jul 1999 Corporate Officer, Santen Pharmaceutical Co., Ltd.
 Jun 2005 Director and Senior Corporate Officer, Santen Pharmaceutical Co., Ltd.
 May 2006 Senior Director, Alix Partners
 Jul 2007 Senior Director, Advent International Corporation
 Apr 2011 Director and CFO, Avon Products Co., Ltd. (currently FMG & Mission Co., Ltd.)
 Dec 2013 Senior Corporate Officer and CFO, MISUMI Group Inc.
 Jun 2014 Executive Director and CFO, MISUMI Group Inc.
 Jul 2020 Executive Director, MISUMI Group Inc.
 Jun 2024 Full-time Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)

**Takaaki Wada**

Full-time Audit & Supervisory Board Member

Apr 1985 Joined MISUMI Group Inc.
 Jul 2006 Business Director of P&D Business Team, Die Components Business, MISUMI Corporation
 Nov 2011 Corporate Officer, Die and Mold Business Company, MISUMI Corporation
 Nov 2013 President and Chief Executive Officer of Die and Mold Business Company, MISUMI Corporation
 Jan 2017 G Corporate Officer, MISUMI Group Inc.
 May 2017 Senior Corporate Officer, MISUMI Group Inc.
 Apr 2022 Audit & Supervisory Board Member, MISUMI Corporation
 Jun 2022 Full-time Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)

**Nanako Aono**

Outside Audit & Supervisory Board Member

Apr 1984 Joined The Nikko Securities Co., Ltd. (currently SMBC Nikko Securities Inc.)
 Nov 1995 Joined ChuoAoyama Audit Corporation
 Jul 2002 Joined Busicom Co., Ltd. (currently OAG Busicom Co., Ltd.)
 Mar 2005 Director, Busicom Co., Ltd.
 Jun 2008 Outside Audit & Supervisory Board Member, Duskin Co., Ltd.
 May 2010 Representative Director and President, GEN Co., Ltd. (incumbent)
 Jun 2017 Outside Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)
 Jun 2019 Outside Audit & Supervisory Board Member, Nippon Paper Industries Co., Ltd. (incumbent)
 Mar 2020 Outside Director, OPTEX GROUP Co., Ltd. (incumbent)
 Mar 2021 Outside Audit & Supervisory Board Member, Meiko Network Japan Co., Ltd.
 Nov 2022 Outside Director and Audit and Supervisory Board Member, Meiko Network Japan Co., Ltd. (incumbent)

**Shizuyo Ichikawa**

Outside Audit & Supervisory Board Member

Apr 1987 Registered as an attorney-at-law
 Apr 1987 Joined Yoshihara & Co. (currently Komatsu Miwa & Co.) (incumbent)
 Apr 2000 Full-time Director, DC Loan Servicing Inc.
 Jun 2020 Outside Audit & Supervisory Board Member, Kyogoku unyu shoji Co., Ltd. (incumbent)
 Apr 2022 Executive Director, Saitama University (incumbent)
 Jun 2022 Alternate Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)
 Jun 2025 Outside Audit & Supervisory Board Member, MISUMI Group Inc. (incumbent)

Management Foundation: Corporate Governance

Composition and Skill Matrix of the Board of Directors and Audit & Supervisory Board Members

Name	Title	Number of years of service *1	Number of Board of Directors Meetings Attended in FY2024	Number of Audit & Supervisory Board Meetings Attended in FY2024	Corporate management	Business strategy	Global experience (Overseas business management, Management of regional subsidiaries, etc.)	DX/IT	Manufacturing/Operations (Logistics, Customer service, etc.)	Organizational/HR strategy	Finance/ Accounting	ESG/ Risk Mgt/ Legal
Kosuke Nishimoto	Representative Director	8 years*2	14/14 (100%)		●	●				●	●	●
Ryusei Ono	Representative Director	18 years*3	14/14 (100%)		●	●	●	●	●			
Arata Shimizu	Director	1 year	14/14 (100%)		●	●		●	●			
Tomoki Kanatani	Director	4 years	14/14 (100%)			●	●	●	●	●		
Shigetaka Shimizu	Director	4 years	14/14 (100%)			●	●	●	●	●		
Shaochun Xu	Director	3 years	14/14 (100%)				●			●	●	●
Yoichi Nakano	Outside Director	6 years	14/14 (100%)		●		●			●	●	
Tomoharu Suseki	Outside Director	4 years	14/14 (100%)		●		●		●			●
Keiko Yano	Outside Director	1 year	11/11*4		●	●	●			●		
Figen Ulgen	Outside Director	New appointment	(Newly appointed in June 2025)				●	●	●			●
Ichiro Otokozawa	Full-time Audit & Supervisory Board Member	1 year	11/11 (100%)*4	18/18 (100%)*4	●		●				●	●
Takaaki Wada	Full-time Audit & Supervisory Board Member	3 years	14/14 (100%)	24/24 (100%)			●		●	●		
Nanako Aono	Outside Audit & Supervisory Board Member	8 years	14/14 (100%)	24/24 (100%)	●						●	
Shizuyo Ichikawa	Outside Audit & Supervisory Board Member	New appointment	(Newly appointed in June 2025)	(Newly appointed in June 2025)	●							●

9 males, 5 females; 12 Japanese nationals, 2 foreign nationals

*1 As of Jun 2025

*2 The term of office as Representative Director is 5 years and 4 months

*3 The term of office as Representative Director is 11 years and 6 months

*4 Based on the number of meetings held after the appointment in Jun 2024

Management Foundation: Corporate Governance

Reasons for Appointment as Directors/ Audit & Supervisory Board Members

Name	Title	Reason for Appointment
Kosuke Nishimoto	Representative Director	Mr. Kosuke Nishimoto has extensive experience as business manager over many years and has extensive knowledge of various manufacturing industries in Japan. With his experience and knowledge, he has appropriately and effectively performed his decision-making and supervisory roles as Director and Executive Vice President since June 2019 and Representative Director and Chairman since February 2020. Accordingly, Mr. Nishimoto has been appointed as a Director, in recognition of his anticipated future contributions.
Ryusei Ono	Representative Director	As Representative Director and President, Mr. Ryusei Ono has led MISUMI Group to grow further as a global enterprise while formulating and implementing strategies to enhance the Company's value over the medium to long-term. He has used his extensive experience and knowledge of our business activities, operations, production, and other areas as the basis for appropriate and effective management decision-making and supervision. Accordingly, Mr. Ono has been appointed as a Director, in recognition of his anticipated future contributions.
Arata Shimizu	Director	Mr. Arata Shimizu has extensive experience as a strategic consultant and business manager over many years and has broad knowledge. With his experience and knowledge, he has appropriately and effectively performed his decision-making and supervisory roles as a Senior Executive Director and CIO since June 2024. Accordingly, Mr. Shimizu has been appointed as a Director, in recognition of his anticipated future contributions.
Tomoki Kanatani	Director	Mr. Tomoki Kanatani has participated in the Company's business for a long period of time, including strengthening the foundation of the Company's sales. Since December 2015, he has demonstrated his leadership as the head of the China Business Company. He has been driving the growth of MISUMI Group's business in China, its largest overseas market. In addition, since October 2020, he has been leading the organization as the Executive in charge of China and Asia Businesses. With his experience and knowledge, he has appropriately and effectively performed business execution, decision-making and supervisory roles. Accordingly, Mr. Kanatani has been appointed as a Director, in recognition of his anticipated future contributions.
Shigetaka Shimizu	Director	Mr. Shigetaka Shimizu has participated in the Company's business for a long time, including playing a central role in the establishment of the Company's business in China. Since December 2015, he has been demonstrating his leadership as the head of Asia Business Company, driving growth of MISUMI Group's business in Asia. In addition, he has been leading Japan Business Company as its President since April 2022. With his experience and knowledge, he has appropriately and effectively performed business execution, decision-making and supervisory roles. Accordingly, Mr. Shimizu has been appointed as a candidate for Director, in recognition of his anticipated future contributions.
Shaochun Xu	Director	Ms. Shaochun Xu joined MISUMI (China) Precision Machinery Trading Co., Ltd. after gaining experience in Chinese government offices and the Chinese operations of multiple Japanese companies. She has demonstrated her leadership in the company as General Manager since April 2017 and Chairperson since October 2021. She has been driving the growth of MISUMI Group's business in China, its largest overseas market. With her experience and knowledge, she has appropriately and effectively performed business execution, decision-making, and supervisory roles from a global perspective. Accordingly, Ms. Xu has been appointed as Director, as it is anticipated that she will offer valuable advice and effective oversight, drawing on her experience and expertise to further enhance the Group's Management Foundation.
Yoichi Nakano	Outside Director	Mr. Yoichi Nakano has proactively provided opinions and advice and supervised MISUMI Group's management from an independent perspective as Outside Director since June 2019. He has extensive experience in various industries on a global basis, namely, finance, consulting, and executive-search, as well as an extensive knowledge of management personnel development. We appointed Mr. Nakano, as an Outside Director, as it is anticipated that he will offer valuable advice and effective oversight, drawing on his experience and expertise to further enhance the Group's Management Foundation.
Tomoharu Suseki	Outside Director	Mr. Tomoharu Suseki has proactively provided opinions and advice and supervised MISUMI Group's management from an independent perspective as Outside Director since June 2021. He has ample experience and extensive knowledge from his extensive career in the management of various global companies primarily in the electronics sector. We appointed Mr. Suseki, as an Outside Director, as it is anticipated that he will offer valuable advice and effective oversight, drawing on his experience and expertise to further enhance the Group's Management Foundation.
Keiko Yano	Outside Director	Ms. Keiko Yano has proactively provided opinions and advice and supervised MISUMI Group's management from an independent perspective as Outside Director since June 2024. She has ample experience and broad knowledge through her extensive career in management of several global companies including joint venture formed by a Japanese and an American company in the automotive and related components industry. We appointed Ms. Yano as an Outside Director, as it is anticipated that she will offer valuable advice and effective oversight, drawing on her experience and expertise to further enhance the Group's Management Foundation.
Figen Ulgen	Outside Director	Ms. Figen Ulgen has demonstrated outstanding leadership in the fields of data science and data governance at several global companies, including major U.S. IT companies. She has ample experience and broad knowledge regarding the business application of information technology including AI. We appointed Ms. Ulgen as an Outside Director, as it is anticipated that she will offer valuable advice and effective oversight, drawing on her experience and expertise to further enhance the Group's Management Foundation.
Ichiro Otokozawa	Full-time Audit & Supervisory Board Member	In addition to extensive experience as CFO at multiple companies, Mr. Otokozawa has broad expertise as a leader of administrative divisions and business operations. Leveraging this knowledge, he has appropriately executed business execution and management oversight as CFO and head of Corporate Division of the MISUMI Group since December 2013, and as the Executive in charge of Americas and Europe Business since October 2020. Drawing on this wide-ranging experience and insight, it is anticipated that he will appropriately audit the execution of duties by Directors and contribute to enhancing and strengthening the Company's auditing framework.
Takaaki Wada	Full-time Audit & Supervisory Board Member	Mr. Wada has been engaged in business operations for many years, primarily in the Company's core Die Components Business, and has demonstrated strong leadership as President of the Die Components Business Company since December 2015. Leveraging his extensive experience in global business, operations, and organizational management, as it is anticipated that he will appropriately audit the execution of duties by Directors and contribute to enhancing and strengthening the Company's auditing framework.
Nanako Aono	Outside Audit & Supervisory Board Member	As a certified public accountant, Ms. Nanako Aono has a considerable degree of knowledge concerning financial accounting. She also has extensive insight, cultivated through her career as a business manager and Corporate Auditor. She utilizes her knowledge and insights for enhancing and strengthening the audit structure of the Company and fulfills her roles for fair and objective audit from an independent viewpoint. Her appointment as an Outside Audit & Supervisory Board Member reflects our judgment that she will continue to carry out the duties of that position appropriately going forward.
Shizuyo Ichikawa	Outside Audit & Supervisory Board Member	Ms. Shizuyo Ichikawa has expertise and experience in legal affairs as a lawyer and ample experience as an Outside Corporate Auditor of another company. Ms. Ichikawa has been appointed as an Outside Audit & Supervisory Board Member in the anticipation that she will fulfill her role as a fair and objective auditor from an independent viewpoint using her experience and knowledge.

Management Foundation: Corporate Governance

Supervising Officers (As of October 1, 2025)

Chairman
and Representative of HL Platform
Kosuke Nishimoto

Senior Executive Corporate Officer, CIO,
and Representative of Newton Global Development Center
Arata Shimizu

Senior Executive Corporate Officer
Shigetaka Shimizu

President
Ryusei Ono

Senior Executive Corporate Officer
Tomoki Kanatani

Senior Executive Corporate Officer
Toru Arakawa

Founders

Chairman Emeritus, Second-Era Founder
Tadashi Saegusa

Special Advisor and Founder
Hiroshi Taguchi

Executive Officers (As of October 1, 2025)

Senior Corporate Officer
Representative of China Region
and Representative of Asia Region
Shaochun Xu

Corporate Officer
Representative of Production Platform
Takumi Toya

Corporate Officer
President of Distribution and Services Business Company
and Representative of Gateway Global Development Center
Masatake Sumi

Corporate Officer
Representative of DJ System Global Development Center
Tomohiro Yamamoto

Corporate Officer
President of Die & Mold Business Company
Yusuke Miyamoto

Senior Corporate Officer
President of ID Business Company
and Chairman of Fictiv Inc.
Mitsunobu Yoshida

Corporate Officer
Representative of Operational Excellence
Hideka Shoji

Corporate Officer
President of OST Business Company
Nobumasa Watanabe

Corporate Officer
President & CEO of Fictiv Inc.
David Evans

Corporate Officer
President of Mechatronics Business Company
Hitoshi Ura

Senior Corporate Officer, CFO,
Representative of Finance Platform
Toru Takanami

Corporate Officer
President of Factory-MRO Business Company
Takashi Baba

Corporate Officer
Representative of Rapid Manufacturing Global Development Center
Yusuke Kido

Corporate Officer
Representative of AI Global R&D Center
and CXO of Fictiv Inc.
Nathan Evans

Corporate Officer
Representative of Enterprise Tech Platform
Akira Rikita

Senior Corporate Officer
President of Dayton Lamina Business Company
and Representative of Americas Region
Ryuji Ohora

Corporate Officer
Representative of Digital Services Global Development Center
Koichi Kawakami

Corporate Officer
Representative of Europe Region
Noriaki Murata

Corporate Officer
President of Frontier Business Company
Jinwook Lee

Management Foundation: Corporate Governance

Basic Approach to Corporate Governance

Our Company is committed to strengthening its Management Foundation with the goal of fulfilling its social responsibilities and achieving sustainable growth in corporate value. We consider the advancement of corporate governance a central management priority, and, in line with our "Corporate Governance Guidelines," we are dedicated to the ongoing enhancement of our corporate governance framework.

Relationship with Shareholders

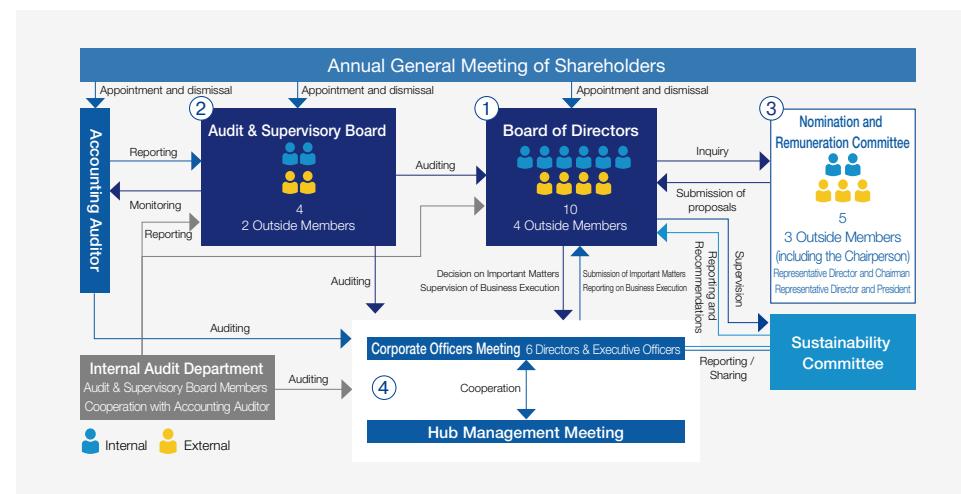
MISUMI Group proactively and appropriately communicates key management strategies, financial performance, sustainability initiatives, risk management, governance practices, and responses to social and environmental issues to shareholders in a timely manner. We are also committed to fostering active and constructive dialogue with our shareholders.

The MISUMI Group's Corporate Governance Guidelines have been established to define the fundamental concepts and policy approaches concerning corporate governance within our Group.

[MISUMI Group's Corporate Governance Guidelines](#)

Corporate Governance Structure

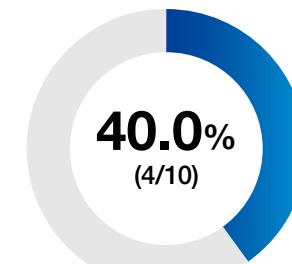
MISUMI Group Inc., as a company with an Audit & Supervisory Board, has its Board of Directors and Audit & Supervisory Board responsible for supervising business execution and conducting audits, respectively. Furthermore, voluntary advisory committees, including the Nomination and Remuneration Committee and the Sustainability Committee, have been instituted.



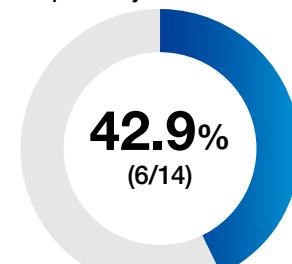
● Overview of the Corporate Governance System

Organizational Structure	Company with an Audit & Supervisory Board
Number of Directors [of which, Outside Directors]	10 (4)
Term duration for Directors	1 year
Number of Outside Directors designated as independent executives	4
Number of Audit & Supervisory Board Members [of which, Outside Members]	4 (2)
Adoption of the Corporate Officer structure	Yes
Existence of voluntary committees	Yes (Nomination and Remuneration Committee)
Remuneration for Directors and other Officers	<ol style="list-style-type: none"> 1. Base salary 2. Performance-linked bonuses 3. Long-term incentives (restricted stock)

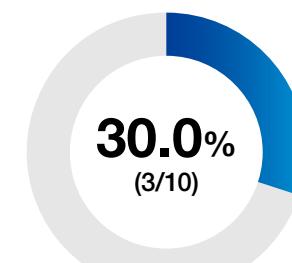
Percentage of Outside Directors



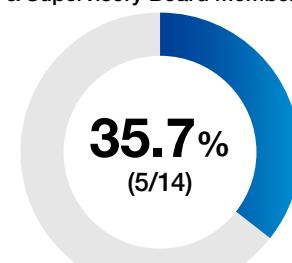
Percentage of Outside Executives (Directors and Audit & Supervisory Board Members)



Percentage of Female Directors



Percentage of Female Executives (Directors and Audit & Supervisory Board Members)



Management Foundation: Corporate Governance

1 Board of Directors

The Board of Directors is responsible for setting the strategic direction of the MISUMI Group, making decisions on significant business executions, establishing an appropriate Internal Control System and supervising and guiding the duties performed by Executive Directors and Representative Officers of Business Companies, Region Hubs, and Model Development Hubs. Moreover, the MISUMI Group periodically assesses and revises the operational status of the Internal Control System, the implementation of the Code of Conduct, and the functioning of the Internal Whistleblowing System. The Board of Directors, comprising 10 members, including four Independent Outside Directors, meets regularly once a month and convenes additional Extraordinary Board Meetings as needed to make critical management and business decisions and to oversee business execution.

Key Agenda Items of the Board of Directors (FY2024)

- Matters resolved (61, including 6 resolved in writing): Matters related to the Annual General Meeting of Shareholders, financial statements, Directors, shares, budgets and business plans, human resources and organizational matters, investments, funding, subsidiaries, and sustainability and ESG*
- Matters reported (65): Business reports (sales and HR-related), audit reports, internal audit status reports, sustainability and ESG* reports, report on the effectiveness of the Board of Directors, and matters related to the Annual General Meeting of Shareholders
- Matters discussed (3): Business strategy and investment-related matters

*ESG stands for Environment, Society, and Governance

2 Audit & Supervisory Board

The Audit & Supervisory Board consists of four members, including two outside Audit & Supervisory Board Members. Each member attends meetings such as the Board of Directors, the Corporate Officers Meeting, and the Hub Management Meeting; conducts on-site inspections at domestic and overseas locations; reviews approval documents; holds individual interviews with Directors, Executive Officers, and others; and participates in regular meetings with the second line of internal control, which are the various risk management departments, as well as the third line, the Internal Audit Office. Through these activities, they audit the execution of duties by Directors. In addition, the Audit & Supervisory Board works in cooperation with the accounting auditor to continuously improve the effectiveness and efficiency of accounting audits, while also assessing the appropriateness of the accounting auditor.

3 Nomination and Remuneration Committee

Our Company bolsters the Board of Directors' supervisory role and improves the transparency of its decision-making process with a Nomination and Remuneration Committee. This Committee is led by an Independent Outside Director and consists of a majority (60%) of Independent Outside Directors. The Nomination and Remuneration Committee acts as an advisory body, deliberating and submitting proposals to the Board of Directors on evaluation and remuneration matters, the election and dismissal of Directors, including Representative Directors, and succession planning for these roles to ensure the Company's sustainable growth as a global entity. Additionally, the Committee objectively discusses and considers important issues, such as nominations and remuneration, from various perspectives, including diversity and skills.

Member of the Nomination and Remuneration Committee	Outside Director Yoichi Nakano (Chairperson) Tomoharu Suseki Keiko Yano	Representative Director and Chairman Kosuke Nishimoto Representative Director and President Ryusei Ono
Meetings Held:	7 in FY2024	

4 Business Execution Structure

Our Group's operational framework is built upon four Hub organizations: the Business Companies (BH), responsible for business growth and profitability; the Region Hub (RH), tasked with strengthening the business and Management Foundations of each regional subsidiary; the Platform Hub (PH), which is accountable for enhancing global competitiveness, implementing cutting-edge technologies, and managing performance (KPIs) within specialized domains; and the Model Development Hub (MH), dedicated to fostering and developing next-generation dynamic competitive foundations and overseeing their implementation into BH, RH, and PH. By establishing these four Hubs and promoting collaboration among them through a multi-network organizational structure, we are reinforcing our Dynamic Capabilities to swiftly respond to changes in the global environment surrounding our Group, including customers, markets, and competitors.

Daily operations of each Hub are managed and supervised by six Supervising Officers, each responsible for their respective Hub. In addition, important operational decisions within each Hub are deliberated and resolved at the monthly Hub Management Meetings. Through this process, governance at the Hub level is reinforced.

Furthermore, for important matters related to business execution that extend beyond the scope of individual Hubs and impact on the entire Group, deliberation and decision-making are conducted by the Corporate Officers Meeting at the Head Office, which is primarily composed of the Representative Directors, Supervising Officers, and Senior Corporate Officers. This process serves to strengthen governance at the Group level and is held once a month.

Outside Directors and Outside Audit & Supervisory Board Members

■ Functions and Roles of Outside Directors and Outside Audit & Supervisory Board Members

Our Company maintains a Board of Directors responsible for both management decision-making and overseeing business execution by Executive Directors and Corporate Officers. Out of 10 Directors, four are Outside Directors, and of the four Audit & Supervisory Board Members; two are Outside members.

We consider the role of external oversight from an objective and neutral perspective to be crucial in corporate governance. We believe that our current structure adequately ensures effective external oversight, facilitated by the supervision and checks of Outside Directors and independent audits by Outside Audit & Supervisory Board Members.

■ Criteria and Policies Regarding the Independence of Outside Directors and Outside Audit & Supervisory Board Members

The appointment of Outside Directors and Outside Audit & Supervisory Board Members is based on their compliance with the standards for independent officers established by the Tokyo Stock Exchange. Their attendance at meetings of the Board of Directors during FY2024 is disclosed on page 53, and the reasons for their appointment are presented on page 54.

Based on the perspectives derived from their respective areas of specialized knowledge and extensive experience, the MISUMI Group believes that these Outside Directors and Outside Audit & Supervisory Board Members are well qualified to effectively fulfill their roles in supervising and overseeing management, as well as conducting fair and objective audits from an independent standpoint.

Management Foundation: Corporate Governance

■ Supervision or Auditing by Outside Directors and Outside Audit & Supervisory Board Members

Outside Directors participate in the monthly Board of Directors Meeting, where they offer questions and advice on proposals and discussions from an objective standpoint, independent of the management team responsible for business execution. Additionally, Outside Audit & Supervisory Board Members attend the monthly Board of Directors and the Audit & Supervisory Board, offering questions and advice on proposals and discussions, drawing from their specialized knowledge and experience.

Board of Directors' Effectiveness Evaluation

■ Evaluation process (year ended March 31, 2025)

To assess the effectiveness of our Board of Directors, a questionnaire was distributed to Directors and Audit & Supervisory Board Members, and their responses were collected. Designated evaluation members conducted analysis and assessment based on the aggregated results, the frequency of Board meetings during the fiscal year, the topics discussed, and the level of participation in deliberations.

■ Evaluation Results (year ended March 31, 2025)

Our Board of Directors has concluded that its effectiveness is adequately ensured, as outlined below.

- During the deliberations of the Board of Directors' agenda items, ample time is allocated, and attendees actively engage in discussions, ensuring thorough and serious debates. This process facilitates appropriate decision-making and oversight of execution.
- Outside Directors and Outside Audit & Supervisory Board Members actively participate in discussions, offering insights from their respective professional perspectives. Their opinions are thoroughly incorporated into the management decision-making process.
- The function and management approach of the Company's Board of Directors are continually refined to boost their effectiveness. This results in more active deliberations, enhanced supervision, and more effective guidance of execution.
- Following the Annual General Meeting of Shareholders held in June 2025, the Board now comprises four independent Outside Directors, exceeding the one-third requirement for the Prime Market and representing 40% of its members.
- At the same Annual General Meeting of Shareholders, an additional female Outside Director of foreign nationality was appointed, further enhancing the diversity of the Board of Directors.
- The Nomination and Remuneration Committee has been established as an advisory body to deliberate and submit proposals to the Board of Directors on evaluation and remuneration matters, as well as the election and dismissal of Directors, including Representative Directors. It also discusses and implements succession planning of the Representative Directors.

Moving forward, we will continue to evaluate the roles, functions, operations, and meeting agendas of the Board of Directors, including further delegation of authority to the executive team, to ensure a clear focus on future business growth and globalization initiatives. Additionally, we will maintain ongoing dialogue with stakeholders, including shareholders and investors, while carefully considering the number, composition, diversity, and the balance of knowledge, experience, and skills among Directors and Outside Directors.

Officers' Remuneration

■ Basic Policy on Officers' Remuneration

The Company's policy is to grant reasonable remuneration to Directors by considering past experience, market standards, and their contributions.

■ Composition and Proportion of Remuneration

Director compensation comprises three elements: base salary, performance-linked bonuses, and long-term incentives. Independent Outside Directors receive only a base salary, reflecting both their responsibilities and the necessity of maintaining their independence from business operations.

① Base Salary

The amount is determined as a monthly fixed salary, considering each Director's role, position, and market standards.

② Performance-linked Bonuses

To enhance each Director's motivation to contribute to the Company's performance during each consolidated fiscal year, the remuneration for each Director is determined comprehensively based on factors such as consolidated ordinary income and dividend amounts for the year and is paid annually as a bonus.

③ Long-term Incentives (restricted stock)

To boost motivation for contributing to mid- to long-term performance and enhancing corporate value, the number of restricted shares granted annually is determined based on individual evaluations.

The remuneration structure is appropriately determined based on our management strategy, business environment, responsibilities, and mid- to long-term incentives, with reference to the remuneration levels of benchmark companies. Furthermore, performance-linked bonuses and the allocation of long-term incentive shares may fluctuate based on performance and individual evaluations, and there may be years when they are not granted.

■ Method for Determining Individual Remuneration for Directors

Matters related to individual remuneration and other rewards for Directors are determined through deliberation by the Nomination and Remuneration Committee. Additionally, long-term incentives require a resolution by the Board of Directors, following the decision of the Nomination and Remuneration Committee.

■ Clawback Policy for Executive Remuneration

In the event of a significant fraudulent or illegal act by a Director, the remuneration of the said executive (including vested rights) may be confiscated or subject to a repayment claim.

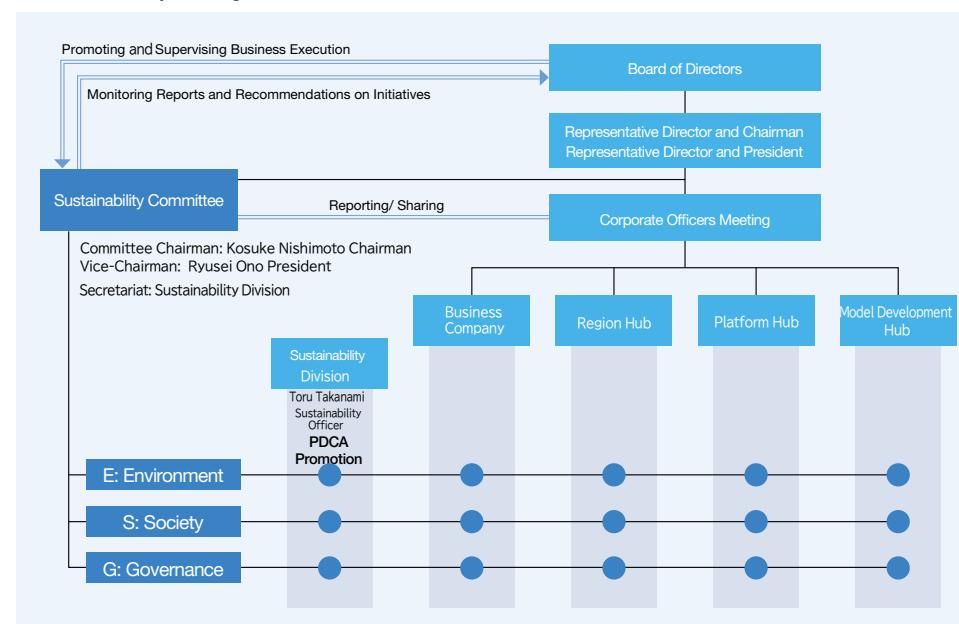
Management Foundation

Sustainability Committee

Sustainability Committee

MISUMI Group Inc. has established a "Sustainability Committee," chaired by the Representative Director and Chairman, with the Representative Director and President as Vice-Chairman, to strengthen its sustainability management structure. This Committee formulates the Basic Policy of Sustainability for the Company, verifies the management plan and management policy, and reports and makes recommendations regarding initiatives that address social issues to the Board of Directors. To promote ESG management horizontally across the Group, the Sustainability Committee, under the supervision of the Board of Directors, which has appointed an Officer in charge of Sustainability, works with the Business Company, Region Hub, Platform Hub, and Model Development Hub, which are the Group's executive organizations, to monitor ESG-related target setting, progress and evaluation, and to further develop initiatives.

● Sustainability Management Structure



● Status and Results of the Sustainability Committee Meetings

(As of Nov,2025)

Dates	Topics	Achievements
1st March 16, 2022	<ul style="list-style-type: none"> First discussion regarding evaluation and improvement from external agencies 	Improvement initiatives commenced with the dissemination of external evaluation results to management.
2nd April 20, 2022	<ul style="list-style-type: none"> Second discussion regarding evaluation and improvement from external agencies 	
3rd May 18, 2022	<ul style="list-style-type: none"> First discussion on Scope 3 initiative policy 	An anticipated 8.6% reduction in GHG Scope 1 and 2 emissions (relative to FY2020) was reported, attributed to the adoption of Carbon-free electricity across all Japanese manufacturing facilities. Further measures are under consideration.
4th June 14, 2022	<ul style="list-style-type: none"> Progress report on GHG emission reduction Second discussion on Scope 3 initiative policy 	
5th June 23, 2022	<ul style="list-style-type: none"> Report on Sustainability Committee's responses to the external agencies' evaluation Discussion on climate change-related countermeasures 	
6th July 28, 2022	<ul style="list-style-type: none"> Sustainability training for executives 	
7th August 1, 2022	<ul style="list-style-type: none"> Progress report on Procurement Guidelines and Code of Conduct 	
8th August 18, 2022	<ul style="list-style-type: none"> Discussion on Procurement Guidelines and Code of Conduct Discussion on revision of Code of Conduct and human capital disclosure 	The "Sustainable Procurement Guidelines" were developed and promoted.
9th October 20, 2022	<ul style="list-style-type: none"> Establishment of Procurement Guidelines and supply chain management system 	Supplier-focused sustainability activities were initiated at the 9th meeting held on October 20, 2022.
10th December 22, 2022	<ul style="list-style-type: none"> Report on climate change-related countermeasures Discussion on human capital disclosure Future initiatives 	Additional GHG Scope 1 and 2 reduction strategies—including energy conservation, solar power generation, and renewable energy certificates—were approved, with an expected total group-wide reduction exceeding 60%.
11th February 15, 2023	<ul style="list-style-type: none"> Review of activities and future direction and policy 	
12th May 18, 2023	<ul style="list-style-type: none"> Execution status report: GHG / Supply Chain Management Response to external agencies' evaluation regarding human capital 	Briefing sessions on sustainability and GHG accounting were held for major Japanese suppliers. Four months thereafter, all participating companies finalized their GHG calculations, contributing to a 6.7% year-on-year decrease in Scope 3 emissions.
13th September 21, 2023	<ul style="list-style-type: none"> FY22 Preliminary GHG results and progress in supply chain management Analysis by external evaluation agencies 	
14th November 16, 2023	<ul style="list-style-type: none"> FY22 GHG results and FY24 supply chain management activities Responses to European CSRD and Carbon Footprint 	Targeted support was provided to key suppliers facing sustainability challenges, resulting in the completion of necessary improvements.
15th March 19, 2024	<ul style="list-style-type: none"> Review of activities and future direction and policy 	
16th March 21, 2024	<ul style="list-style-type: none"> Reports on corporate governance-related matters and/ Board effectiveness evaluation Review on materiality 	
17th May 16, 2024	<ul style="list-style-type: none"> MISUMI Unique Index and/ Carbon Footprint 	The company successfully completed its initial product carbon footprint assessment.
18th September 18, 2024	<ul style="list-style-type: none"> Request for cooperation regarding European CBAM and EUDR and analysis of evaluation results from external agencies 	Company-wide policies and organizational frameworks were established for internal compliance with European CBAM and EUDR regulations.
19th October 17, 2024	<ul style="list-style-type: none"> First discussion on materiality assessment questionnaire 	
20th November 21, 2024	<ul style="list-style-type: none"> Second discussion on materiality assessment questionnaire 	
21st December 19, 2024	<ul style="list-style-type: none"> FY23 Preliminary GHG results and consideration of materiality 	
22nd January 23, 2025	<ul style="list-style-type: none"> Consideration of materiality 	
23rd July 17, 2025	<ul style="list-style-type: none"> Enhancing sustainability disclosure and MISUMI Unique Index 	Decisions were made to enhance policy disclosures to ensure transparency.
24th August 21, 2025	<ul style="list-style-type: none"> Reorganization of materiality and integrated report narrative 	
25th September 18, 2025	<ul style="list-style-type: none"> Reorganization of materiality and integrated report narrative 	Revisions to materiality content were finalized.
26th November 20, 2025	<ul style="list-style-type: none"> FY24 GHG results 	

Management Foundation

Risk Management

Risk Management Structure and Policy

The Group has implemented an operational framework to anticipate and manage various risks, ensuring Reliable and Quick Delivery of products to our customers. Considering the growing geopolitical risks, we are striving to further enhance our global risk management structure.

Risks Associated with Business Activities

At our Company, each organization responsible for business execution analyzes risks within their respective business areas in developing business plans, which are reviewed by the Directors and Corporate Officers. Additionally, the execution status is reported to the Board of Directors and the Corporate Officers Meeting, where countermeasures are deliberated in response to significant risks or issues.

Risks Relating to Quality Control

In the product planning and design stages, we thoroughly consider product safety and strive to establish a framework for appropriate quality control during the manufacturing stage.

Risks of Natural Disasters and Conflicts

We have established specialized organizations to respond to emergencies such as disasters and have implemented measures including the development of a Business Continuity Plan (BCP), the introduction of a disaster communication system, the establishment of disaster response frameworks, and employee training. Additionally, we conduct BCP drills at domestic and international business sites to identify issues and promote awareness.

Risks of Information Security

Our Group holds confidential information in electronic form pertaining to business processes such as ordering, sales, procurement, and manufacturing, as well as customer and personal data, and numerous information systems are utilized in business operations. To strengthen information security, we have established information management rules such as the "Basic Policy on Information Security," and conduct annual internal training to ensure thorough awareness. Moreover, with the increasing importance of cybersecurity, we are implementing the following measures.

■ Formulation and Execution of a Cybersecurity Risk Response Plan

Our Company identifies cybersecurity risks and formulates corresponding response plans. These plans consider both system and human aspects, advancing the development of a defense framework, and we conduct regular system and security audits. Additionally, as part of the BCP, we conduct exercises and drills to enhance the overall response capabilities of our employees.

■ Strengthening the Cybersecurity Framework

We are formulating security policies and promoting related investments while routinely implementing the PDCA (Plan, Do, Check, Act) cycle to establish a framework that can respond flexibly and swiftly to evolving threats.

Management Foundation

Internal Control

Status of Internal Control System Development

Our Group has established a three-line defense as part of its Internal Control System (First Line: Business Execution Departments, Second Line: Risk Management Department, Third Line: Internal Audit Department) and is working towards further strengthening it.

Additionally, at the Board of Directors Meeting held on October 17, 2024, a resolution was passed to revise the “Basic Policy on Internal Control Systems” based on Article 362, Paragraph 4, Item 6 of the Companies Act and Articles 100, Paragraphs 1 and 3 of the Enforcement Regulations of the Companies Act. Please refer to the following link for details.

The following summarizes our principal initiatives for FY2024.

[Basic Policy on Internal Control System](#)

- The Company held 14 Board of Directors Meetings. The Board of Directors and the Corporate Officers Meeting made important decisions for the Group and appropriately fulfilled their roles and functions, such as confirming the execution status at and providing supervision and guidance to Headquarters, Business Companies, Platforms, and subsidiaries.
- The Company has established internal regulations regarding the management of information security, information systems, trade secrets, and personal information. Based on these regulations, the responsible departments responsible are implementing appropriate measures.
- The Company regularly conducts comprehensive risk assessments covering business operations, information, finance, human resources, and legal affairs at key Group sites and reports the results to the Board of Directors. For significant risks, the responsible departments responsible are identified to implement countermeasures. As one of the measures to address significant risks, we have formulated a Business Continuity Plan (BCP) for disasters and other emergencies.
- The Company conducts compliance and legal training at key Group sites to ensure full awareness and thorough observance of the MISUMI Group Code of Conduct and legal compliance through these training programs.
- The Company has established an internal reporting system covering the entire Group and operates it appropriately.
- Regarding the development of the structure and coordination for the Audit & Supervisory Board and its members, we are continuously working to improve the auditing environment. This includes increasing opportunities for interviews with Directors, including Outside Directors, enhancing coordination with the Group’s administrative departments, strengthening the full-time Audit & Supervisory Board structure, and enhancing the support system for Audit & Supervisory Board Members.
- Based on its audit plan, the Internal Audit Department conducts operational audits of domestic and overseas subsidiaries to assess and monitor the development and operation status of the Internal Control System.

Supervision through the Internal Control System and Evaluation/ Audit of System Operation Status

The Group has established, through resolutions of the Board of Directors, a “structure to ensure that the execution of duties complies with laws and the Articles of Incorporation” and a “structure to ensure the appropriateness of other operations,” regulations (the “Internal Control System”).

The Group’s Audit & Supervisory Board evaluates and audits the operations of the Internal Control System annually.

Additionally, the Internal Audit Department selects approximately 10 target locations and organizations each year for audit and conducts reviews to ensure that operations at these locations are carried out appropriately and in compliance with laws, regulations and internal rules. Furthermore, since 2019, the Legal Department has implemented an initiative known as “Legal Risk Review Rounds” to detect legal risks that could lead to violations of laws in the early stage and work with the relevant departments to resolve them.

Management Foundation

Ethics and Compliance

Code of Conduct

The Group has established standards of conduct based on “Aspiration,” “Value proposition,” and “Mission” that drive MISUMI’s Growth Chain-reaction Aspired Management, as well as on global social expectations, including the principles of the United Nations Global Compact. Among these, the behaviors expected of MISUMI as a corporate entity are stipulated in the Corporate Code of Conduct while behaviors expected from each Officer and employee are stipulated in the “Employee Code of Conduct.”

[Code of Conduct](#)

Employee Training on Ethical Standards

The Group has established an ethics and compliance education system and conducts regular ethics training (in principle, once a year) for all relevant employees. The training covers topics such as the dissemination of the Code of Conduct, prevention of bribery and fraud, accounting compliance, insider trading, HR compliance, and export control. After each training session, a test is administered to measure understanding, ensuring retention of the training content.

Bribery and Anti-Corruption Policy/ Efforts to Prevent Bribery and Fraud

The Group has established in its “Code of Conduct” a prohibition on bribery or the giving of money or gifts to government and administrative agency officials, as well as the improper exchange of money or goods with suppliers and others. Additionally, through the aforementioned employee education activities, all employees are thoroughly informed about the prohibition of bribery and the prevention of fraud.

Protection of Personal Information

The Group complies with these policies, laws, and other regulations regarding the protection of personal information and appropriately handles the personal information of all stakeholders.

[“Basic Policy on Personal Information Protection” and “Personal Information Protection Policy”](#)

Management Foundation: Ethics and Compliance

Information Security

The Group recognizes the importance of information security in conducting global business activities and has established the "Basic Policy on Information Security" to appropriately protect the information assets it owns or manages from various threats. We strive to enhance information security by conducting annual internal training to ensure thorough awareness and understanding throughout the Company.

Reporting and Supervision of Legal, Compliance, and Ethical Activities

The Group's activities concerning legal, compliance, and ethics are reported regularly (in principle, once a year) to the Board of Directors by the Corporate Officer responsible for legal and compliance. The Board of Directors discusses the reported status of these activities and supervises by providing guidance on areas that require correction or strengthening. The Legal Department provides monthly reports on important issues and challenges related to legal and compliance matters. We have also established an HR Compliance Committee comprising two Representative Directors, the Representative Officers of each relevant organization, and the Corporate Officer overseeing legal and compliance, to deliberate and make decisions regarding disciplinary actions.

Internal Whistleblowing System

Internal Whistleblowing System and Whistleblower Protection

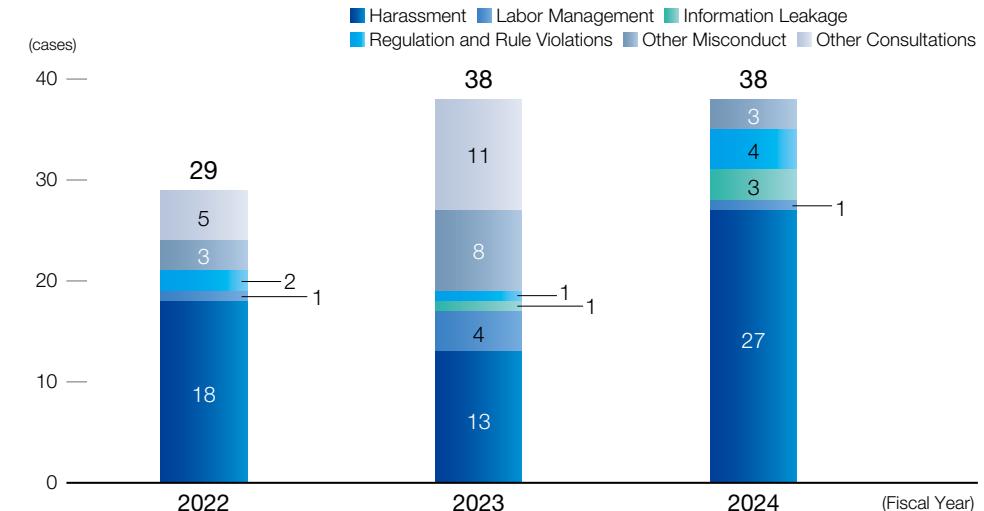
The Group has established an Internal Whistleblowing System called the "Corporate Ethics Helpline," which allows employees of Group companies, both domestically and internationally, to consult and report inappropriate conduct. Reports are accepted in both English and Japanese. The reporting hotline is managed by an external law firm to ensure strict confidentiality of the reported content. Additionally, a consultation desk has been established within the Human Resources Department, where employees can discuss harassment and other inappropriate workplace conduct. The consultation desk also guarantees the anonymity of whistleblowers and ensures that no adverse consequences occur to them.

Internal Whistleblowing System

Investigation of Reports and Decision on Response

When a report is made to the Corporate Ethics Helpline or the Human Resources Department's consultation desk, both the Human Resources and Legal Departments conduct an internal investigation into the facts and circumstances, taking the utmost care to protect the whistleblower's anonymity and safety. The necessity and content of any disciplinary action based on the investigation results are discussed and determined at the "Human Resources Compliance Meeting," which includes the Representative Director. When disciplinary action is taken, the name of the department involved is disclosed (without revealing individual names), and the fact of the disciplinary action is announced internally to ensure transparency in the process.

Trends in the Number of Reports and Consultations



Management Foundation

MISUMI Group Human Rights Policy

MISUMI Group Human Rights Policy

MISUMI Group considers respect for human rights to be a fundamental principle in all activities and has established the "MISUMI Group Human Rights Policy" (hereinafter referred to as the Human Rights Policy). We are committed to ensuring that our management and conduct are always aligned with the international community. The Human Rights Policy identifies key human rights issues that our Group must address and promote appropriate measures.

■ Key Human Rights Issues

- We respect individuals' fundamental human rights, individuality, and diversity, and prohibit discrimination or harassment based on race, nationality, gender, religion, beliefs, birth, age, sexual orientation, physical characteristics, or mental and physical disabilities. We prohibit all forms of harassment that unjustly harm individual dignity, such as sexual harassment, power harassment, and moral harassment.
- We emphasize diversity in backgrounds, skills, gender, nationality, and other aspects, ensuring equal opportunities in hiring, development, promotion, and treatment of personnel.
- We comply with safety and health-related laws and standards and strive to maintain a safe and comfortable workplace environment.
- We prioritize the mental and physical health of our employees and prevent long working hours.
- We respect employees' rights as workers, including freedom of association.
- We do not engage in any form of child labor or forced labor.

We apply the Human Rights Policy to all Officers and employees of the Group. We also expect our business partners, such as suppliers, to understand and support this policy, and we work to ensure it is respected. Additionally, as part of our due diligence efforts, we assess and identify human rights risks not only within our Group but also among our business partners, implementing measures to prevent and mitigate these risks. For communication, we ensure comprehensive education and raise awareness for all employees in the Group, while providing appropriate information disclosure and engaging in dialogue with stakeholders.

[MISUMI Group Human Rights Policy](#)

Zero Tolerance for Harassment

In 2017, the MISUMI Group adopted the "Zero Tolerance for Harassment Declaration," affirming that "all forms of harassment are unacceptable within the MISUMI Group," and has been continuously working to eradicate harassment. We vigorously promote initiatives toward this goal by conducting regular compliance training for employees worldwide, thoroughly revising and globally implementing our Corporate Code of Conduct and Employee Code of Conduct, and establishing a widely publicized internal reporting structure. However, we acknowledge that achieving Zero Harassment remains an ongoing challenge. To this end, we will further enhance our educational programs, preventive measures, and response strategies to completely eradicate harassment. Additionally, to ensure harassment is neither concealed nor overlooked, we will consistently provide clear and accessible information about our Internal Whistleblowing System and consultation services.

■ Provisions Outlined in the Zero Tolerance for Harassment Declaration

- Prohibition of Harassment Declaration
- Types and Specific Examples of Prohibited Harassment (Sexual Harassment, Power Harassment, Maternity Harassment, etc.)
- Scope of the Declaration (Applicable to all employees)
- Sanctions for Harassment Incidents
- Establishment of Consultation Channels and Protection for Whistleblowers
- Implementation of Investigations and Measures Following Consultations, and Consideration of Recurrence Prevention Strategies
- Programs Available for Employees Requiring Special Consideration
- Implementation of Harassment Training

[Zero Tolerance for Harassment Declaration](#)

Data

Ten-Year Summary of Financial Indicators

	Unit	FY2015	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Profits/Losses											
Net sales	JPY Million	240,139	259,015	312,969	331,936	313,337	310,719	366,160	373,151	367,649	401,987
Operating income	JPY Million	25,690	27,127	34,848	31,874	23,640	27,199	52,210	46,615	38,365	46,480
Operating margin	%	10.7	10.5	11.1	9.6	7.5	8.8	14.3	12.5	10.4	11.6
Income before income taxes	JPY Million	25,003	26,071	34,516	31,815	22,781	23,496	51,131	46,533	39,219	49,940
Net income attributable to owners of parent	JPY Million	16,907	18,387	25,601	24,034	16,504	17,138	37,557	34,282	28,152	36,549
Net income margin attributable to owners of parent	%	7.0	7.1	8.2	7.2	5.3	5.5	10.3	9.2	7.7	9.1
Financial Position											
Total assets* ¹	JPY Million	194,186	212,041	243,492	252,393	264,684	288,921	347,390	378,458	413,517	419,574
Total equity	JPY Million	141,462	154,530	185,203	203,520	209,514	231,147	277,225	311,286	344,515	349,284
CAPEX/ Depreciation and Amortization											
Capital expenditures (CAPEX)	JPY Million	9,126	7,219	15,421	21,414	18,018	14,016	16,508	13,625	17,976	15,434
Depreciation and amortization expenses* ²	JPY Million	7,821	7,439	8,105	8,758	11,339	13,101	13,589	14,712	15,747	16,142
Key Indicators											
Return on equity (ROE) * ³	%	12.4	12.4	15.1	12.4	8.0	7.8	14.8	11.7	8.6	10.5
Return on assets (ROA) * ⁴	%	13.2	12.8	15.2	12.8	8.8	8.5	16.1	12.8	9.9	11.8
Current ratio	%	445.8	430.3	362.1	444.4	434.6	478.9	483.0	577.5	627.7	612.6
Interest coverage ratio * ⁵	times	5179.8	4972.6	21868.1	8853.9	360.1	541.8	623.9	270.4	371.0	386.7
Per Share Information											
Net income for the period* ⁶	JPY	61.65	66.94	91.01	84.80	58.18	60.36	132.15	120.53	99.75	131.95
Dividends* ⁶	JPY	15.42	16.71	22.60	21.20	14.55	15.09	33.04	30.14	27.47	43.21
Net assets* ⁶	JPY	515.39	560.79	653.71	717.56	737.99	813.57	975.04	1,093.98	1,222.38	1,271.58
Cash flow* ⁶	JPY	60.89	70.80	85.86	46.00	99.40	128.44	194.82	110.52	193.61	220.11
Investment Indicators											
PER	times	26.1	30.1	32.1	32.5	40.5	53.3	27.7	27.4	20.7	18.7
PBR	times	3.1	3.6	4.5	3.8	3.2	4.0	3.8	3.0	1.7	1.9

*1 The figure for FY2017 has been revised retroactively in accordance with Partial Amendments to Accounting Standard for Tax Effect Accounting

*2 Excludes depreciation of right-of-use assets due to the application of IFRS 16 "Leases." The actual amount for FY2024 was JPY 1,575 million

*3 Calculated based on the net income attributable to owners of the parent company's stock

*4 Calculated based on income before income taxes

*5 Net cash provided by operating activities divided by interest payments

*6 After adjustment for the stock split effective July 1, 2015

Data

ESG Data

Category	Item	Scope	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024		
Environment	CO ₂ Emission	Scope 1+2+3	Global ^{*1}	kt-CO ₂ e	1,597	1,465	1,704	1,549	1,372 ^{**2}	1,441	
	Scope 1+2			kt-CO ₂ e	72	67	67	21	19	18	
	Scope 1 ^{*3*4}			kt-CO ₂ e	7	6	5	6	6	6	
		Japan		kt-CO ₂ e	1	1	1	1	1	1	
		Overseas		kt-CO ₂ e	6	5	4	5	5	5	
	Scope 2 ^{*4}			kt-CO ₂ e	65	61	62	15	13	12	
		Japan		kt-CO ₂ e	11	11	11	3	3	3	
		Overseas		kt-CO ₂ e	54	49	51	11	10	9	
	Scope 3 ^{*5}			kt-CO ₂ e	1,524	1,399	1,637	1,528	1,353 ^{**2}	1,424	
	Energy Consumption	Grid-connected Electric Power		MWh	118,860	111,923	114,831	109,213	103,086	103,107	
Society	Gasoline		Global ^{*1}	kl	810	576	473	635	843	778	
	Diesel			kl	353	347	319	419	315	234	
	Kerosene			kl	9	14	11	6	7	7	
	LPG			t	46	32	47	55	57	51	
	LNG			t	0	0	0	0	0	0	
	Natural Gas			1000 m ³	1,317	1,184	1,010	1,156	1,096	1,235	
	City Gas			1000 m ³	610	506	518	511	461	487	
	Other Energy Supplied (including Steam and Hot Water)			GJ	9,577	8,545	6,833	6,978	6,847	7,006	
	On-site Solar Power Introduced			Global ^{*1}	MWh	1,883	1,841	1,936	2,698	3,296	6,172
	Carbon-free Electricity Introduced			Global ^{*1}	MWh	0	0	0	12,940	14,731	15,936
Employees	Number of Employees ^{*6}	Global ^{*1}	Persons	12,138	11,682	11,842	11,804	11,039	11,064		
	Number of Full-time Employees		Persons	1,878	1,829	1,739	1,675	1,752	1,760		
	Average Age	MISUMI Japan ^{*7}	Age	38.1	38.0	38.2	38.9	39.8	39.4		
	Average Years of Service		Years	5.5	5.4	6.0	6.5	7.1	7.0		
Percentage of Female Employees		Global ^{*1}		-	-	-	36.0	36.8	36.4		
				-	-	-	43.2	42.9	42.9		
	Percentage of Female Managers	Global ^{*1}	%	-	-	-	22.7	23.6	23.6		
				-	-	-	14.5	14.8	14.5		
Gender Wage Gap	All Employees			-	-	-	58.1	61.6	63.0		
	Full-time Employees			-	-	-	66.0	69.0	68.7		
	Contract employees/part-timers			-	-	-	55.3	63.9	59.7		
	By hierarchy (Officers & department heads)	MISUMI Japan ^{*7}	%	-	-	-	131.9	118.2	125.2		
	By hierarchy (Directors)			-	-	-	93.6	86.2	93.0		
	By hierarchy (Leaders)			-	-	-	87.9	90.0	88.3		
	By hierarchy (Members)			-	-	-	84.4	83.3	81.8		
	Percentage of Paternity Leave Utilized by Male Employees	MISUMI Japan ^{*7}	%	-	-	-	70.0	86.6	95.2		

Data: ESG Data

Category	Item	Scope	Unit	FY2019	FY2020	FY2021	FY2022	FY2023	FY2024
Governance	Composition of the Board of Directors ^{*6}	MISUMI Group Inc.	No. of Board of Directors	Persons	7	8	9	8	8
			No. of Outside Members	Persons	3	3	3	3	3
			No. of Female Members	Persons	0	0	0	1	2
			No. of Meetings Held (Regular & Extraordinary)	Frequency	14	14	14	14	14
	Composition of the Audit & Supervisory Board ^{*5}	MISUMI Group Inc.	No. of Audit & Supervisory Board Members	Persons	3	3	3	3	4
			No. of Outside Members	Persons	2	2	2	2	2
			No. of Meetings Held	Frequency	20	19	22	27	24
	Remuneration ^{*8}	MISUMI Group Inc.	Directors' Remuneration	JPY Million	551	607	819	582	689
			Audit & Supervisory Board Members' Remuneration	JPY Million	20	20	20	22	24
	Voluntary Committees	MISUMI Group Inc.	Nomination and Remuneration Committee	Yes/ No	Yes	Yes	Yes	Yes	Yes
	Other	MISUMI Group Inc.	No. of IR (Investor Relations) Interviews	Count	339	300	362	457	443

*1 Total value of Japan and overseas Group companies

*2 Corrected to address miscalculations in previously disclosed figures

*3 Scope 1 emissions: Unit calorific values and emission factors are based on figures from the Act on Promotion of Global Warming Countermeasures (Japan), and the same figures are applied to overseas business locations.

*4 Scope 2 emissions: Calculated based on the market-based method for Japan and the location-based method for overseas. For the location-based method, electricity emission factors are sourced from the "IEA Emission Factors" specific to each country.

<GHG calculated under Scope 1 and 2: CO₂ emissions from energy sources (other 6.5 gases are excluded from calculation).>

The factors contributing to the reduction in Scope 2 emissions in FY2022 compared to the previous year are as follows:

- Introduced solar photovoltaic power system at our production site in Vietnam
- Promoted energy-saving measures for air conditioning at our production site in Japan (Shizuoka)
- Introduced carbon-free electricity at the Head Office building and our production sites in Japan
- Purchased renewable energy certificates (I-REC and GEC) for our production sites in Vietnam, China, Thailand, and India

*5 Scope 3 emissions: Calculated based on categories 1-7 and 12

*6 The employee count, as well as the numbers for members of both the Board of Directors and Audit & Supervisory Board, are figures as of the fiscal year end

*7 Total number within MISUMI Group Inc. and MISUMI Corporation

*8 Excludes Outside Directors and Outside Audit & Supervisory Board Members

Data

Corporate Information/ Stock Information (As of March 31, 2025)

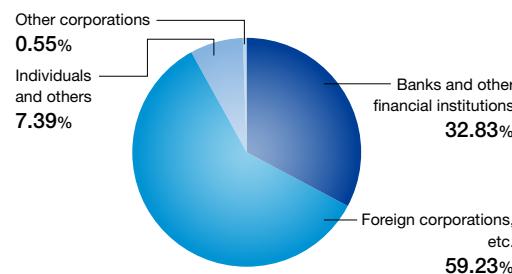
Corporate Information

Company Name	MISUMI Group Inc.
Established	February 23, 1963
Capital Stock	14,483 million yen
Number of Employees (consolidated)	11,064
Head Office Location	Kudan Kaikan Terrace, 6-5, Kudan-Minami 1-chome, Chiyoda-ku, Tokyo 102-8583, Japan
Business Description	Strategic management, planning, administration, and operations centered around the FA Business, Die Components Business, VONA Business for the corporate Group
Website	https://www.misumi.co.jp/english/

Stock Information

Listed Stock Exchange	Prime Section of the Tokyo Stock Exchange
Securities Code	9962
Number of shares	Total number of authorized shares 1,020,000,000 shares Total number of shares outstanding 285,057,297 shares
Number of shareholders	8,557

Shareholder Distribution by Owner Category

Major Shareholders^{*1}

Shareholder's Name	Number of shares held (thousand)	Percentage of shares outstanding (%) ^{*2}
The Master Trust Bank of Japan, Ltd.	52,070	18.96
Custody Bank of Japan, Ltd.	25,811	9.40
STATE STREET BANK AND TRUST COMPANY 505001 Permanent Agent: Mizuho Bank, Ltd. Settlement Sales Department	14,970	5.45
BNYM AS AGT/CLTS NON TREATY JASDEC Permanent Agent: Mitsubishi UFJ Bank, Ltd	14,305	5.21
STATE STREET BANK AND TRUST COMPANY 505103 Permanent Agent: Mizuho Bank, Ltd. Settlement Sales Department	11,634	4.24
JP MORGAN CHASE BANK 385781 Permanent Agent: Mizuho Bank, Ltd. Settlement Sales Department	5,966	2.17
THE BANK OF NEW YORK MELLON 140044 Permanent Agent: Mizuho Bank, Ltd. Settlement Sales Department	5,895	2.15
GOVERNMENT OF NORWAY Permanent Agent: Citibank, N.A. Tokyo Branch	4,301	1.57
MSCO CUSTOMER SECURITIES Permanent Agent: Morgan Stanley MUFG Securities Co., Ltd.	3,831	1.39
HSBC HONG KONG-TREASURY SERVICES A/C ASIAN EQUITIES DERIVATIVES Permanent Agent: The Hongkong and Shanghai Banking Corporation Limited, Tokyo Branch Custody Services Department	3,710	1.35

^{*1} Excluding treasury stock^{*2} Rounded to the nearest third decimal place

Stock Price and Trading Volume Trends

